

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

207 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
March 17, 1971

EXAMINER HEARING

IN THE MATTER OF:

Application of Texas Pacific  
Oil Company for an exception  
to Order No. R-3221, as amended,  
Eddy County, New Mexico.

Case No. 4490

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

dearnley-meier reporting services, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS  
209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103  
FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

MR. NUTTER: Call next Case No. 4490.

MR. HATCH: Case 4490. Application of Texas Pacific Oil Company for an exception to Order No. R-3221, as amended, Eddy County, New Mexico.

MR. RUSSELL: John F. Russell, from Roswell, appearing on behalf of the Applicant. I have one witness.

(Witness sworn.)

(Whereupon, Applicant's Exhibits 1 and 2 were marked for identification.)

OMER ROBERTS,

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. RUSSELL:

Q Will you please state your name, address, the name of your employer and the capacity in which you are employed?

A Omer Roberts, O-m-e-r, Midland, Texas, Texas Pacific Oil Company, petroleum engineer.

Q And you have previously qualified to give testimony before this Commission, have you not?

A I have.

Q Are you familiar with the application in Case 4409?

A Yes, sir, I am.

Q What is it you seek by this application?

A We seek an exception to the no pit order whereby we may be allowed to dispose of produced water in a surface

1 unlined pit for our Wooley Federal Number 3 in the Loco  
2 Hills-Abo Pool, Eddy County, New Mexico.

3 Q In connection with this application, have you prepared  
4 or have caused to be prepared some exhibits?

5 A Yes, sir, I have.

6 Q I will refer you to what has been marked as Applicant's  
7 Exhibit No. 1 and ask you to explain that exhibit.

8 A Exhibit No. 1 is an ownership map of the area surrounding  
9 our Wooley Lease. On this map are shown the locations of  
10 nearby windmills. Note that the nearest windmill on this  
11 plat is approximately five miles distant from the lease.

12 Our lease is outlined in yellow and I will explain  
13 the squares outlined in blue.

14 Q Go right ahead.

15 A I would like to read now from Commission Order No. R-3820  
16 whereby an exception to Order R-3221 was granted to Frank-  
17 lin, Aston and Fair. This order is dated 27th day of  
18 August, 1969.

19 Read from paragraph seven: "There appears to be  
20 no shallow fresh water in the vicinity of the subject  
21 pits for which a present or reasonably foreseeable  
22 beneficial use is or will be made that would be impaired  
23 by contamination from the subject pits."

24 The areas outlined in blue on this land plat are  
25 the leases covered by this Order No. R-3820 for Franklin,

1 Aston and Fair.

2 Q Where is your lease located; would you give the description  
3 of it?

4 A It's located in Section 21, Township 17 South, Range 30  
5 East, Eddy County.

6 Q And one of the wells for which the no pit exception has  
7 been previously granted is an offset to this lease, is it  
8 not?

9 A Yes, sir, it is.

10 Q And your examination of the area does not disclose any  
11 water wells other than the three windmill wells, is that  
12 correct?

13 A That is correct.

14 Q Are those windmill wells being operated at this time?

15 A To our knowledge, they are not.

16 Q Will you explain to us the method under which you are  
17 operating your well at this time and the reason why it  
18 is unsatisfactory?

19 A Presently, we are disposing of produced water into our  
20 Wooley Number 1, a previous producer in the Loco Hills  
21 Pool. The water is being disposed into this well on a  
22 vacuum and it is necessary in order to maintain the  
23 injectivity of this well to acidize it approximately once  
24 every three months.

25 The cost of these acid jobs is approximately \$700.00

- 1           apiece. Our operating costs on this one well lease over  
2           the last twelve months have averaged \$1,085.00 per month.  
3           We feel that by eliminating the frequent acid jobs on  
4           the disposal well that we could reduce our operating costs  
5           for this lease by \$250.00 per month which would extend  
6           the economic life of this producing well and result in  
7           the recovery of an additional 4,000 barrels of oil.
- 8           Q     How much oil is this well producing at this time?
- 9           A     Presently, it produces twenty-two barrels of oil per day  
10           and ninety-one barrels of water.
- 11          Q     And you are asking exception to the order to allow you to  
12           dispose of this produced water in an open pit, are you  
13           not?
- 14          A     Yes, sir.
- 15          Q     I refer you to Exhibit No. 2 and ask you what that  
16           reflects.
- 17          A     Exhibit No. 2 is the log of an oil or gas well form for  
18           the United States Geological Survey which is submitted  
19           on every well drilled on a federal lease. On this form  
20           are shown a record of important water sands encountered  
21           in each well drilled on federal leases and referring to  
22           the important water sands section of this form for our  
23           Wooley No. 3 Well, you will notice that there are no  
24           important water sands shown on this record.
- 25          Q     To the best of your knowledge, there are no fresh water

- 1 areas or wells in this area at all, is that correct?
- 2 A Yes, sir, that's correct.
- 3 Q How long ago was this well drilled?
- 4 A It was completed in December, 1961.
- 5 Q And had been producing into open pit your salt water?
- 6 A Yes, up until the institution of the no pit order.
- 7 Q Have you checked into the possibility of hauling this
- 8 water?
- 9 A We have, but the cost of hauling the water would be even
- 10 more prohibitive at twenty-five cents per barrel than the
- 11 present cost of maintaining the disposal well.
- 12 Q Then, in your opinion, the granting of this exception
- 13 would not contaminate any waters in this area?
- 14 A That is our opinion, yes, sir.
- 15 Q And, also, the granting of the exception would protect
- 16 correlative rights and prevent economic waste by premature
- 17 abandonment of the well, is that correct?
- 18 A Yes, sir.
- 19 MR. RUSSELL: At this time, I would like to
- 20 introduce Applicant's Exhibits 1 and 2.
- 21 MR. NUTTER: Applicant's Exhibits 1 and 2 will be
- 22 admitted in evidence.
- 23 MR. RUSSELL: I have no further questions of this
- 24 witness.
- 25

CROSS EXAMINATION

1  
2 BY MR. NUTTER:

3 Q Mr. Roberts, is this the lease immediately west of your  
4 lease here that Franklin, Aston and Fair has discontinued  
5 using the pits and is now putting the water into a dis-  
6 posal well?

7 A I am not aware of that, sir.

8 Q I believe that one of the instances in the immediate  
9 vicinity which was accepted at one time by the Commission,  
10 they have discontinued using the pits and are now using  
11 water disposal wells?

12 A I am not aware of that. I have not visited the lease in  
13 the last two months and I do not know.

14 Q Now, what is the problem here with your well that requires  
15 this treatment every three months with acid?

16 A We are apparently getting some form of down-hole deposition  
17 whereby the well will just quit taking water on a vacuum.

18 Q Are you treating the water prior to disposing of it?

19 A We have not treated it previously to this. We have  
20 investigated a scale treatment, but we do not know whether  
21 or not this will prevent the deposition of scale.

22 It works on laboratory scale, but we have not tried  
23 it yet so we don't know how it is going to work.

24 Q Are you using an open or closed system there?

25 A It is open.

- 1 Q So, possibly treatment of the water and maybe keeping the  
2 oxygen off of it might result in less deposition of scale  
3 in the well?
- 4 A There is that possibility. We have investigated it, but  
5 we do not know how it is going to work.
- 6 Q Now, the fact that this form doesn't show any water  
7 sands could indicate that there were water sands that  
8 weren't reported and it might indicate there were no  
9 water sands which weren't reported, also?
- 10 A That is a possibility, but to my knowledge, there were no  
11 water sands reported.
- 12 Q As far as you know, these windmills are not being used,  
13 but have you tried to make a determination as to whether the  
14 windmills are being used or not?
- 15 A We have not tried to determine whether they are being  
16 used; just when we surveyed to find out where they were  
17 located, they were not in use.
- 18 Q They weren't turning at that time or what?
- 19 A No, they weren't turning.
- 20 Q Was there any wind that day?
- 21 A I do not know. This survey was made under my direction,  
22 but it was not made personally by me.
- 23 MR. NUTTER: Are there any other questions of Mr.  
24 Roberts? He may be excused.
- 25 (Witness excused.)

dearnley-meier reporting service, inc

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103  
FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

MR. NUTTER: Do you have anything further, Mr. Russell?

MR. RUSSELL: Nothing further, Mr. Examiner.

MR. NUTTER: Does anyone have anything they wish to offer in Case 4409? Take the case under advisement.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103  
FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

I N D E X

WITNESS

PAGE

OMER ROBERTS

Direct Examination by Mr. Russell

2

Cross Examination by Mr. Nutter

7

E X H I B I T S

Applicant's 1 and 2

2



**dearney-meier reporting service, inc.**

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXHIBIT TESTIMONY, DAILY COPY, CONVENTIONS

209 STAMPS BLDG. • P.O. BOX 1072 • PHONE 243-4471 • ALBUQUERQUE, NEW MEXICO

**BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico**

**February 3, 1971**

**EXAMINER HEARING**

**IN THE MATTER OF:**

**Application of Texas Pacific Oil  
Company for an exception to  
Order No. R-3221, as amended,  
Eddy County, New Mexico**

**Case No. 4490**

**BEFORE: Daniel S. Nutter, Examiner**

**TRANSCRIPT OF PROCEEDINGS**

dearnley-meier

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS  
209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-5691 • ALBUQUERQUE, NEW MEXICO 87103  
FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

MR. NUTTER: We'll call Case Number 4490.

MR. HATCH: Case 4490, Application of Texas Pacific Oil Company for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. The Commission has received request from the Applicant that this case be continued to the first case in March.

MR. NUTTER: Case 4490 to be held at this same place on March 3rd, 1971.



BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
January 13, 1971

EXAMINER HEARING

---

IN THE MATTER OF: )  
 )  
 )  
 Application of Texas Pacific Oil Company )  
 for an exception to Order No. R-3221, as )  
 amended, Eddy County, New Mexico. )  
 )  
 )  
 )

---

Case No.  
4490

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: The next case will be Case 4490.

MR. HATCH: Case 4490. Application of Texas Pacific Oil Company for an exception to Order No. R-3221, as amended, Eddy County, New Mexico.

The applicant in this case has requested that it be continued to the examiner hearing on February 3, 1971.

MR. NUTTER: Case 4490 will be continued to the examiner hearing to be held at 9 o'clock a.m., February 3, 1971, at this same place.

