

CASE 4167: Application of CHAS.  
B. READ FOR A DUAL COMPLETION  
AND SALT WATER DISPOSAL.

~~Good to long to~~

Disposal

Case Number.

4167

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Application

Transcripts.

Small Exhibits

ETC.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS  
1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO



BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
August 6, 1969  
EXAMINER HEARING

IN THE MATTER OF:

Application of Charles B. Read for  
a dual completion and salt water  
disposal, Lea County, New Mexico.

Case No. 4167

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: Case No. 4167.

MR. HATCH: Case No. 4167. Continued from the  
July 9, 1969 Examiner Hearing. Application of  
Charles B. Read for a dual completion and salt water  
disposal, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, Jason  
Kellahin of Kellahin and Fox appearing for the Applicant.  
I would like to request that this case be dismissed.

MR. NUTTER: Case No. 4167 will be dismissed

STATE OF NEW MEXICO )  
COUNTY OF SANTA FE ) SS.

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

*Richard L. Nye*  
COURT REPORTER

My Commission expires April 8, 1971.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 4167 heard by me on 8/6 1969.

*[Signature]* Examiner  
New Mexico Oil Conservation Commission

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
July 9, 1969

EXAMINER HEARING

IN THE MATTER OF:

Application of Charles B. Read for a  
dual completion and salt water dis-  
posal, Lea County, New Mexico.

Case No. 4167

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: Call next Case Number 4167.

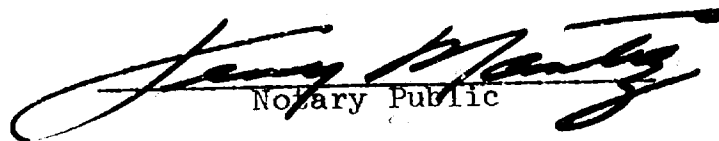
MR. HATCH: Case 4167, application of Charles B. Read for a dual completion and salt water disposal, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, Jason Kellahin of Kellahin and Fox appearing for the applicant. We will ask that Case 4167 be continued to the first Examiner hearing in August.

MR. NUTTER: Case Number 4167 will be continued to the Examiner hearing to be held at this same place at nine o'clock a.m. August 6th, 1969.

STATE OF NEW MEXICO }  
 COUNTY OF BERNALILLO }

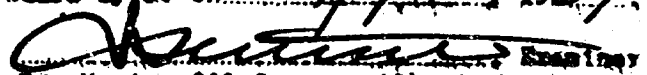
I, JERRY MARTINEZ, Notary Public in and for the  
 County of McKinley, State of New Mexico, do hereby  
 certify that the foregoing and attached Transcript  
 of Hearing before the New Mexico Oil Conservation  
 Commission was reported by me and that the same is a  
 true and correct record of the said proceedings, to  
 the best of my knowledge, skill and ability.

  
 Notary Public

My Commission Expires:

January 24, 1970.

I do hereby certify that the foregoing is  
 a complete record of the proceedings in  
 the Examiner hearing of Case No. 4167,  
 heard by me on 7/9, 1969.

  
 Examiner  
 New Mexico Oil Conservation Commission





## OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501

GOVERNOR  
DAVID F. CARGO  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

August 8, 1969

Mr. Jason Kellahin  
Kellahin & Fox  
Attorneys at Law  
Post Office Box 1769  
Santa Fe, New Mexico

Re: Case No. 4167  
4189  
Order No. R-3809 & R-3810  
Applicant:  
Charles B. Read & Cayman Corp.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC \_\_\_\_\_\*

Artesia OCC \_\_\_\_\_

Aztec OCC \_\_\_\_\_

Other \_\_\_\_\_

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 4167  
Order No. R-3809

APPLICATION OF CHARLES B. READ  
FOR A DUAL COMPLETION AND SALT  
WATER DISPOSAL, LEA COUNTY, NEW  
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 6, 1969,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of August, 1969, the Commission, a  
quorum being present, having considered the record and the recom-  
mendations of the Examiner, and being fully advised in the premises,

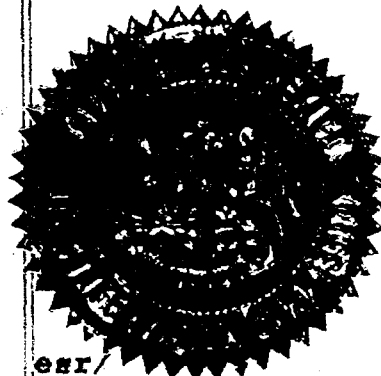
FINDS:

That the applicant's request for dismissal should be  
granted.

IT IS THEREFORE ORDERED:

That Case No. 4167 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove  
designated.



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*David F. Cargo*  
DAVID F. CARGO, Chairman

*Alex J. Armijo*  
ALEX J. ARMILLO, Member

*A. L. Porter, Jr.*  
A. L. PORTER, Jr., Member & Secretary

Docket No. 22-69

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 6, 1969

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or  
Elvis A. Utz, Alternate Examiner:

CASE 4179: Application of Petroleum Corporation of Texas for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico. Said exception would be for applicant's Flint "B" Federal Well No. 1 located in Unit M of Section 14, Township 17 South, Range 30 East, Grayburg-Jackson Pool, Eddy County, New Mexico. Applicant seeks authority to dispose of salt water produced by said well in an unlined surface pit located in said Unit M.

CASE 4180: Application of Union Oil Company of California for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico. Said exception would be for applicant's Federal "E" and Federal "F" leases in Section 31, Township 18 South, Range 31 East, Shugart Field, Eddy County, New Mexico. Applicant seeks authority to dispose of salt water produced by wells on said leases in unlined surface pits on the subject leases.

← CASE 4167: (Continued from the July 9, 1969 Examiner Hearing)  
Application of Charles B. Read for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete his Hobbs "Y" Well No. 1 located in Unit J of Section 29, Township 12 South, Range 34 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the East Hightower-Pennsylvanian Pool and the disposal of produced salt water through the intermediate casing-production casing annulus into the San Andres, Glorieta, Yeso, and Abo formations in the open-hole interval from approximately 4195 feet to 7720 feet.

- CASE 4181: Application of J. M. Huber Corporation for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Stoltz Federal Well No. 1 located in Unit J of Section 12, Township 15 South, Range 34 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Morton-Wolfcamp Pool and the disposal of produced salt water through the 8 5/8 X 4 1/2-inch casing-casing annulus into the San Andres, Tubb, Abo, and possibly other formations in the open-hole interval from approximately 4330 feet to 9750 feet.
- CASE 4182: Application of Franklin, Aston & Fair, Inc. for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico. Said exception would be for certain of applicant's Loco Hills Field wells located in Units I and P of Section 20, Township 17 South, Range 30 East, Unit A of Section 17 and Unit F of Section 4, Township 18 South, Range 30 East, and Unit O of Section 36, Township 17 South, Range 29 East, Eddy County, New Mexico. Disposal would be into unlined surface pits in the vicinity of said wells.
- CASE 4183: Application of Pan American Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Cedar Point Unit Area comprising 5,120 acres, more or less, of State and Federal lands in Township 15 South, Range 30 East, Chaves County, New Mexico.
- CASE 4172: (Continued from the July 23, 1969. Examiner Hearing)  
Application of Pennzoil United, Inc. for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the East Lovington-Pennsylvanian Pool, Lea County, New Mexico, including a provision for 80-acre oil proration units.
- CASE 4184: Application of Pennzoil United, Inc. for the creation of a new oil pool, promulgation of special rules therefor, and a non-standard oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Pennsylvanian oil pool for its Gallagher "8" State Well No. 1 located in the NW/4 NW/4 of Section 8, Township 17 South, Range 34 East, Lea County, New Mexico, and for the promulgation

(Case 4184 continued)

of special rules therefor including a provision for 160-acre proration units and well locations in either the Northwest or Southeast quarter of a quarter section. Applicant further seeks an exception to said proposed rules to re-enter its Monsanto Gallagher State Well No. 1 located 660 feet from the South and West lines of said Section 8 and to recomplete said well in the subject pool.

CASE 4185: Application of Pennzoil United, Inc., for the creation of a new oil pool and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Wolfcamp oil pool for its Sinclair "6" State Well No. 1 located 660 feet from the South line and 760 feet from the East line of Section 6, Township 17 South, Range 34 East, Lea County, New Mexico, and for the promulgation of special rules therefor including a provision for 160-acre proration units and well locations in either the Northwest or Southeast quarter of a quarter section.

CASE 4186: Application of Tenneco Oil Company for compulsory pooling and an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Dakota Gas Pool underlying the North half of Section 11, Township 29 North, Range 13 West, San Juan County, New Mexico, said acreage to be dedicated to a well to be drilled at an unorthodox gas well location 2250 feet from the North line and 660 feet from the East line of said Section 11. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4187: Application of Aztec Oil & Gas Company for the amendment of Administrative Order NWU-341 and Commission Order No. R-2046, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Administrative Order NWU-341 and Commission Order No. R-2046, which orders established, respectively and among other units, certain non-standard gas proration units for the Blanco Mesaverde and Basin-Dakota Pools in Sections 7, 8, 9, 10, 11, 12, 18, and 19, Township 32 North, Range 8 West, San Juan County, New Mexico. Applicant seeks to amend said orders in such a manner as to establish eight co-extensive Mesaverde and Dakota gas proration units in Sections 7, 8, 9, 10, 11, 12, and 18, said units to average 318.89 acres each.

Examiner Hearing - August 6, 1969

Docket No. 22-69

-4-

CASE 4188: Application of Coastal States Gas Producing Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower San Andres formation in the open-hole interval from approximately 5025 feet to 5125 feet in its Santa Fe State Well No. 2 located in Unit F of Section 33, Township 9 South, Range 37 East, West Sawyer-San Andres Pool, Lea County, New Mexico.

CASE 4189: Application of Cayman Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the well location requirements for the High Plains-Pennsylvanian Pool as promulgated by Rule 4 of Order No. R-2874, to permit the drilling of a well at an unorthodox location in the center of the SE/4 NE/4 of Section 15, Township 14 South, Range 34 East, Lea County, New Mexico.

William J. LeMay • Consulting Geologist

June 18, 1969

Telephone AC 505 982-3211  
Box 2244 • 214 College Street  
Santa Fe, New Mexico 87501

New Mexico Oil and Gas Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Gentlemen:

In accordance with Rule 701, application is hereby made on behalf of Charles B. Read for the earliest possible Examiner Hearing for 2 Salt Water Disposal cases. Enclosed are formal applications and supporting exhibits. If additional information is needed please feel free to contact me at the above address.

Very truly yours,

*William J. LeMay*  
William J. LeMay

WJL/ch

*Cases*  
*4167*  
*4168*

DOCKET MAILED

Date *7-24-69*

DOCKET MAILED

Date *6-25-69*

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

MAH OFFICE 0-10  
19 JUN 18 PM 3 07

APPLICATION OF CHARLES B. READ  
FOR SALT WATER DISPOSAL AND,  
THEREBY, A DUAL COMPLETION  
OF HIS HOBBS NO. 1-Y WELL  
LOCATED 1980 FEET FROM THE SOUTH  
AND EAST LINES, SECTION 29,  
TOWNSHIP 12 SOUTH, RANGE 34 EAST,  
N.M.P.M., LEA COUNTY, NEW MEXICO.

Case 4167

A P P L I C A T I O N

COMES NOW Charles B. Read and respectfully presents this Application to the Oil Conservation Commission of the State of New Mexico for an Order permitting him to dispose of produced salt water down the annulus between the 8 5/8 inch intermediate casing string and the 5 1/2 inch production casing string into the San Andres, Glorieta, Yeso, and Abo formations into the open hole interval between the 8 5/8 inch casing at 4,195 feet and the top of the cement at 7,720 feet and, thereby, to dually complete his Hobbs "Y" Well No. 1 located 1980 feet FS&EL, Section 29, Township 12 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

1. Attached hereto marked Exhibit "A" is a plat showing the location of Applicant's well hereinabove described and the location of all other wells within a radius of two miles therefrom. This plat also indicates the lessees of record within this two mile radius. All such wells, including Applicant's well, are now producing from the Pennsylvanian or Devonian formations in the East Hightower or Ranger Lake Pools with Applicant producing Pennsylvanian oil through the 2 3/8 inch tubing.

2. Attached hereto marked Exhibit "B" is the log of Applicant's well hereinabove described.



3. Attached hereto marked Exhibit "C" is a diagrammatic sketch of Applicant's well hereinabove described showing all casing strings, including diameters and setting depths, quantity used and tops of cement, perforated or open hole intervals, tubing strings, including diameters and setting depths, and the type and location of packers, if any.

4. The salt water to be disposed of would be that produced from Applicant's well hereinabove described, the anticipated volume of which would be approximately 14,000 to 20,000 barrels per month. The produced salt water would be continuously treated prior to injection to prevent casing corrosion.

WHEREFORE, Applicant requests that this Application be set for examiner hearing and that after such hearing this Commission enter its Order authorizing the salt water disposal and dual completion as herein requested.

Respectfully submitted,

CHARLES B. READ

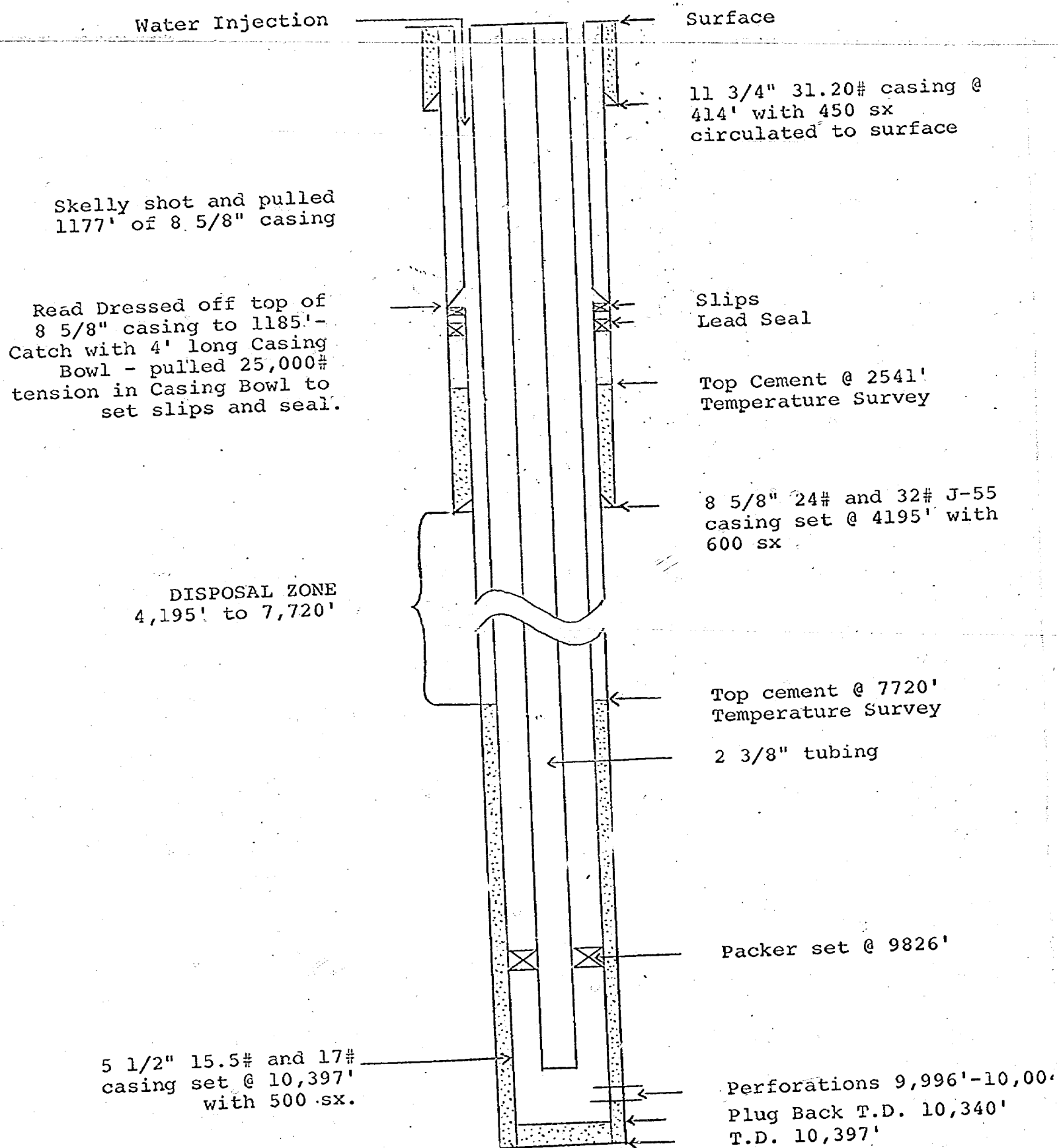
By William J. LeMay  
William J. LeMay, Agent





EXHIBIT "C"

DIAGRAMMATIC SKETCH of Proposed Installation of Water Injection Equipment for the Charles B. Read No. 1 Hobbs "Y", Sec. 29, T-12-S, R-34-E, Lea County, New Mexico.



Case 4167

DRAFT

GMH/esr

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 4167

Order No. R-3809

APPLICATION OF CHARLES B. READ  
FOR A DUAL COMPLETION AND SALT  
WATER DISPOSAL, LEA COUNTY, NEW  
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 6, 1969,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this \_\_\_\_\_ day of August, 1969, the Commission, a  
quorum being present, having considered the record and the recom-  
mendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be  
granted.

IT IS THEREFORE ORDERED:

That Case No. 4167 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove  
designated.

