

CASE 4475: Application of TEXAS  
AMERICAN FOR AN EXCEPTION TO ORDER  
NO. R-3221, AS AMENDED.

*Boyle*

Case. Number.

4475

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Application,  
Transcripts.

Sm all Exhibts.

ETC.

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

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

February 3, 1971

EXAMINER HEARING

IN THE MATTER OF:

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

Case No. 4475

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

dearnley-meier reporting

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS  
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FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

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MR. NUTTER: We'll call Case 4475.

MR. HATCH: Case 4475, Application of Texas American Oil Corporation for an exception to Order No. R-3221, as amended, Eddy County, New Mexico, and the Commission has received request from the Applicant that this case be dismissed.

MR. NUTTER: Case Number 4475 will be dismissed.

1 STATE OF NEW MEXICO )  
 2 ) SS  
 3 COUNTY OF BERNALILLO )

4 I, CHARLOTTE J. MACIAS, Court Reporter in and for the  
 5 County of Bernalillo, State of New Mexico, do hereby certify  
 6 that the foregoing and attached Transcript of Hearing before  
 7 the New Mexico Oil Conservation Commission was reported by  
 8 me and that the same is a true and correct record of the said  
 9 proceedings, to the best of my knowledge, skill and ability.

10 \_\_\_\_\_  
 11 Court Reporter

22 I do hereby certify that the foregoing is  
 23 a correct record of the hearing held on 4/3/75  
 24 the 1st day of April, 1975, at 71  
 25 held by me on 2/3

\_\_\_\_\_  
 New Mexico Oil Conservation Commission

dearnley-meier reporting

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

209 SIMAS BLDG. • P.O. BOX 1092 • PHONE 243-4691 • ALBUQUERQUE, NEW MEXICO



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

December 16, 1970

EXAMINER HEARING

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IN THE MATTER OF: )

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

Case No. 4475

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

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  
1203 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO

PAGE 2

MR. UTZ: Case 4475.

MR. HATCH: Case 4475. Application of Texas American Oil Corporation for an exception to Order No. R-3221, as amended, Eddy County, New Mexico.

The Commission has received a request from the Applicant that the case be continued to February 3rd, 1971. That's the first Examiner Hearing in February.

MR. UTZ: Case 4475 will be continued to February 3rd, as requested by the applicant.

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  
1203 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO



STATE OF NEW MEXICO )  
 ) SS  
COUNTY OF BERNALILLO )

I, Linda Malone, Court Reporter in and for the County of Bernalillo, 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.

*Linda Malone*  
Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings of the hearing before the New Mexico Oil Conservation Commission on March 16, 1975 at 4:47 PM.  
*[Signature]*  
New Mexico Oil Conservation Commission





## OIL CONSERVATION COMMISSION

**STATE OF NEW MEXICO**  
**P. O. BOX 2088 - SANTA FE**  
**87501**

GOVERNOR  
BRUCE KING  
CHAIRMAN

**LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER**

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

February 8, 1971

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

Re: Case No. 4475  
Order No. R-4097  
Applicant:  
  
Texas American Oil Corporation

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.

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC	<u>x</u>
Artesia OCC	<u>x</u>
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. 4475  
Order No. R-4097

APPLICATION OF TEXAS AMERICAN OIL  
CORPORATION FOR AN EXCEPTION TO  
ORDER NO. R-3221, AS AMENDED, EDDY  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 3, 1971,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of February, 1971, 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. 4475 is hereby dismissed.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
*Bruce King*  
BRUCE KING, Chairman

*Alex J. Armitage*  
ALEX J. ARMITAGE, Member

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

JASON W. KELLAHIN  
ROBERT E. FOX

KELLAHIN AND FOX  
ATTORNEYS AT LAW  
54 1/2 EAST SAN FRANCISCO STREET  
POST OFFICE BOX 1769  
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315  
AREA CODE 505

January 25, 1971

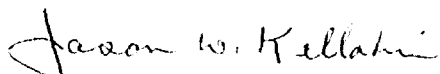
Mr. A. L. Porter, Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Case No. 4475 - Application of Texas American Oil Corp.

Dear Mr. Porter:

This is to request that the above case, presently set for hearing on February 3rd, be dismissed.

Yours very truly,

  
Jason W. Kellahin

jwk;ls

cc: N. T. Emanuel  
Carl Traywick

97 JAN 23 1971

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 3, 1971

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 4494: Application of Southern Union Gas Company and Southern Union Gathering Company for the suspension of certain provisions of Rules 14(A), 15(A), and 15 (B) of the General Rules and Regulations for the prorated gas pools in Northwestern New Mexico in San Juan, Rio Arriba, and Sandoval Counties, New Mexico. Applicants, in the above-styled cause, seek suspension for a period of one year from February 1, 1971, of those provisions of Rules 14 (A), 15 (A), and 15 (B) of the General Rules and Regulations for the prorated gas pools of Northwestern New Mexico promulgated by Order No. R-1670, as amended, that provide for the cancellation of unproduced allowable and the shutting-in of over-produced wells.

CASE 4495: Application of Southern Union Production Company for a triple completion, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (conventional) of its Jicarilla "K" Well No. 13 located in Unit E of Section 11, Township 25 North, Range 5 West, Rio Arriba County, New Mexico, to produce gas from the South Blanco-Pictured Cliffs, Otero Chacra, and Basin-Dakota Pools through a combination of tubing strings and the casing-tubing annulus.

CASE 4490: (Continued from the January 13, 1971 Examiner Hearing)  
Application of Texas Pacific Oil Company for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled, 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 the applicant's Wooley Federal Well No. 3 located in Section 21, Township 17 South, Range 30 East, Loco Hills-Abo Pool, Eddy County, New Mexico.

CASE 4475: (Continued from the December 16, 1970, Examiner Hearing)  
Application of Texas American Oil Corporation 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. Applicant seeks an exception to the provisions of said order for wells completed in the Sand Dunes-Atoka Gas Pool and the Sand Dunes-Cherry Canyon Pool, Eddy County, New Mexico, to permit the disposal of water produced by said wells in unlined surface pits.

CASE 4496: Application of BJA Oil producers for a pressure maintenance project, Lea and Roosevelt Counties, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot pressure maintenance project in the Vada Pennsylvanian Pool by the injection of water into the Bough "C" Formation Units 685 Ltd. Bond Well No. 5 located in the SW/4 of Section 4, Township 9 South, Range 36 East, Lea County, New Mexico. Applicant further seeks the designation of a project area and the promulgation of rules for the project including a procedure whereby additional injection wells and the injection of air or gas may be approved administratively.

CASE 4486 (Continued and Readvertised):

Application of Continental Oil Company for a waterflood expansion, a dual completion, and lease commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Langlie-Mattix Jack A-29 waterflood project, Langlie-Mattix Pool, Lea County, New Mexico, to include the NW/4 NE/4 of Section 29, Township 24 South, Range 37 East, prior to said tract being offset by an injection well. Applicant also proposes to drill and dually complete a well in the SW/4 NE/4 of said Section 29 in such a manner as to produce gas from the Jalmat Gas Pool and inject water into the Langlie-Mattix Pool as an additional injection well. Applicant further seeks authority to commingle the Langlie-Mattix production from its Jack A-29 and Jack B-29 leases (both in the proposed project area) allocating production by the subtraction method after separately metering production from the Jack A-29 Lease.

CASE 4497: Application of Twinlakes Oil Company for special pool rules and a non-standard proration unit, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the Twin Lakes-San Andres Pool, Chaves County, New Mexico, including provisions for the classification of oil and gas wells, spacing for oil and gas wells, and a limiting gas-oil ratio of 4000 to one. Applicant further seeks the establishment of a 160-acre non-standard Twin Lakes-San Andres gas proration unit comprising the W/2 W/2 of Section 36, Township 8 South, Range 28 East.

CASE 4491: (Continued from the January 13, 1971, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit W. C. Welch and all other interested persons to appear and show cause why his State Well No. 1 located 660 feet from the South and West lines of Section 28, Township 2 South, Range 26 East, De Baca County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4492: (Continued from the January 13, 1971, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Norman R. Jones and all other interested persons to appear and show cause why his State A Well No. 1 located in the NE/4 SE/4 of Section 16, Township 30 South, Range 14 West, Hidalgo County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

JASON W. KELLAHIN  
ROBERT E. FOX

KELLAHIN AND FOX  
ATTORNEYS AT LAW  
54 1/2 EAST SAN FRANCISCO STREET  
POST OFFICE BOX 1769  
SANTA FE, NEW MEXICO 87501

December 15, 1970

DEC 16 1970

TELEPHONE 982-4315  
AREA CODE 505

*Sub file - Case 4475*

Mr. George Hatch  
Oil Conservation Commission of  
New Mexico  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear George:

Confirming our telephone conversation today, this is to request that the application of Texas American Oil Corporation, presently set for hearing as Case No. 4475, December 16, 1970, be continued to the first examiner hearing in February.

Yours very truly,

*Jason*

Jason W. Kellahin

jwk;is

cc: N. T. Emanuel  
U.S. Geological Survey - Carl Traywick

DOCKET MARKED  
Date 1-22-71

DOCKET: REGULAR HEARING - WEDNESDAY - DECEMBER 16, 1970

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

- ALLOWABLE: (1) Consideration of the oil allowable for January and February, 1971;
- (2) Consideration of the allowable production of gas for January, 1971, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for January, 1971. Consideration of purchaser's nominations for the six-month period beginning February 1, 1971 for that area.

THE FOLLOWING CASES WILL BE HEARD BEFORE ELVIS A. UTZ,  
EXAMINER, OR DANIEL S. NUTTER, ALTERNATE EXAMINER, IN  
THE OIL CONSERVATION COMMISSION CONFERENCE ROOM ON THE  
SECOND FLOOR OF SAID BUILDING AT 9:30 A.M.

\* \* \* \* \*

CASE 4457: (Readvertised from the November 18, 1970, Examiner Hearing)

Application of Tenneco Oil Company for the creation of a new pool, assignment of discovery allowable, and promulgation of special pool rules, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the "D" zone of the Dakota formation for its Don Ne Pah Well No. 1 located in Unit D of Section 18, Township 17 North, Range 8 West, McKinley County, New Mexico, and for the assignment of an oil discovery allowable to said well. Applicant further seeks the promulgation of special rules for said pool, including provisions for 80-acre spacing units with wells to be drilled in either the northwest or southeast quarter-quarter sections.

CASE 4473: Application of Mobil Oil Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Devonian formation in the open-hole interval from 12,226 feet to 12,541 feet in its Cosden-Oil Development Well No. 1 located in Unit C of Section 25, Township 9 South, Range 36 East, Crossroads Siluro-Devonian Pool, Lea County, New Mexico.

CASE 4474: Application of Amini Oil Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the rules governing the North Vacuum-Abo Pool to permit the completion of a well at an off-pattern unorthodox location 2120 feet from the North line and 520 feet from the West line of Section 12, Township 17 South, Range 34 East, Lea County, New Mexico. The S/2 NW/4 of said Section 12 to be dedicated to the well.

CASE 4475: Application of Texas American Oil Corporation 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. Applicant seeks an exception to the provisions of said order for wells completed in the Sand Dunes-Atoka Gas Pool and the Sand Dunes-Cherry Canyon Pool, Eddy County, New Mexico, to permit the disposal of water produced by said wells in unlined surface pits.

CASE 4476: Application of Hanagan Petroleum Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Catclaw Draw Unit Area comprising 6,720 acres, more or less, of Federal, State, and Fee lands in Sections 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35, and 36, Township 21 South, Range 25 East, Eddy County, New Mexico.

CASE 4472: Southeastern New Mexico nomenclature case calling for an order for the creation of certain new pools and the assignment of oil discovery allowable and the contraction and extension of certain other pools in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico;

(a) Create a new pool in Roosevelt County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Todd-Wolfcamp Pool comprising the following:

TOWNSHIP 7 SOUTH, RANGE 35 EAST, NMPM  
SECTION 22: NE/4 SE/4

Further, for the assignment of approximately 38,025 barrels of oil discovery allowable to the discovery well Texaco Inc.'s L.Harris Federal Well No. 1 located in Unit I of said Section 22.

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Bone Spring production and designated as the Black River-Bone Spring Gas Pool. The discovery well is the Pennzoil United, Inc. O'Neill Federal No. 1 located in Unit L of Section 11, Township 24 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM  
SECTION 11: SW/4



- (c) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Yeso production and designated as the Indian Basin-Yeso Pool. The discovery well is Marathon Oil Company's Indian Basin E No. 2 located in Unit K of Section 27, Township 21 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM  
SECTION 27: NE/4 SW/4

- (d) Create a new pool in Lea County, New Mexico, classified as an oil pool for Permo Pennsylvanian production and designated as the East Morton Permo Pennsylvanian Pool. The discovery well is Samedan Oil Corporation's Gulf State No. 1 located in Unit A of Section 4, Township 15 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM  
SECTION 4: NE/4

- (e) Contract the Square Lake Pool in Eddy County, New Mexico, by the deletion of the following described area:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
SECTION 12: SE/4 SE/4  
SECTION 13: N/2

- (f) Extend the Grayburg Jackson Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
SECTION 12: SE/4 SE/4  
SECTION 13: N/2

- (g) Extend the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
SECTION 19: W/2

- (h) Extend the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM  
SECTION 6: W/2

- (i) Extend the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM  
SECTION 11: All

- (j) Extend the Chaveroo-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM  
SECTION 23: SW/4

(k) Extend the Double L-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM  
SECTION 25: SW/4 SE/4

(l) Extend the South McCormack-Silurian Pool In Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
SECTION 21: NE/4

(m) Extend the South Prairie-Cisco Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM  
SECTION 20: S/2 SW/4

(n) Extend the Northwest Vacuum-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
SECTION 8: NW/4

NEW MEXICO  
OIL CONSERVATION COMMISSION

FIELD TRIP REPORT

Date 12/11/70

Name of Employee R. L. Stamets

Time of Departure 8:00 a.m. Time of Return 3:35 p.m.

Miles Travelled 198

In the space below please indicate purpose of trip and duties performed, listing wells or leases visited.

To Eddy County, general field inspection. To Texas Am. Oil Co.

Todd 26 Fed. Lease, G, 26-23-31, to check area. Operator has requested an exception to Order R-3221. Found a windmill about  $\frac{1}{2}$  mile south of the tank battery. The water well is located in a sink and is reported to be about 300 feet deep and should produce from Triassic red beds. A water sample was taken at the water well and at the Todd 26 Fed. water storage tank. Check P&A wells in 3-22-27 and 32-20-30. All three O.K. Checked area around The Petroleum Corporation, Petco State #1-P, 26-19-29, a new well completion reportedly producing 250 BWP. Water volume did not appear to be as high as reported. However, as water came from a free water knockout, an accurate gauge could not be obtained.

Continued

R. L. Stamets  
Employee's Signature  
District # \_\_\_\_\_

Field trip continued

A sample of produced water was taken. Checked and took a sample from a stock water windmill one mile east. This well is of an unknown depth located in a sink. The topography is such that water from the oil well would not appear to drain directly toward the water well. The oil well lies just over one mile west of the potash area exempted from R-3221.



Non oil related water samples

Loc	Location	Use	Date Collected	Date Sampled	SO4	Cl	T.D.S.	Notes
11	NW 35 17 29	Stock water	4 2 69	4 7 69	460	4400	12650	Reported 89% clay
11	H 27 20 28	"	4 4 69	" "	500	72	2420	
11	C 13 20 28	Domestic	" "	" "	984	607	3440	
11	B 21 18 28	Stock	10 69	11 16 69	972	124	132	
11	M 22 26 27	Stock	24 69	31 69	2240	1420	5670	
11	SW 30 14 28	"	20 69	26 69	2410	60	1470	Notes
11	SE 36 14 28	"	" "	" "	95	28	300	Water pumped from surface pit.
11	N 7 18 28	"	28 69	2 69	1480	130	620	Had petroleum odor. Near Phillips plant pit.
11	I 35 17 28	"	" "	" "	420	1260	632	
11	State line	"	5 5 69	6 6 69	884	4800	14350	Sampled at State line boat ramp
11	C 8 26 29	Stock	6 5 69	6 6 69	1328	8110	22450	Sampled at mid-river from C1 P20 bridge
11	M 10 18 29	"	8 2 69	8 14 69	464	2020	5610	Diagnosis contaminated water from cattle
11	F 24 13 27	"	31 69	14 69	112	50	1125	
11	I 3 24 28	None	12 11 69	12 29 69	710	710	2380	Spring had not been seen or used with. A while west of Messersville
11	P 2 23 30	Stock	12 11 70	12 14 70		581	3700	Apparently water with a lot of sulfur. Taste good.
11	SE 26 23 31	"	12 11 70	12 14 70		150	2220	From small hole in side of sandstone dip
11	P 25 19 29	"	12 11 70	12 14 70		124	1710	Water apparently used for stock and down the supply line

O Davis,  
K10, R. E. Mann.

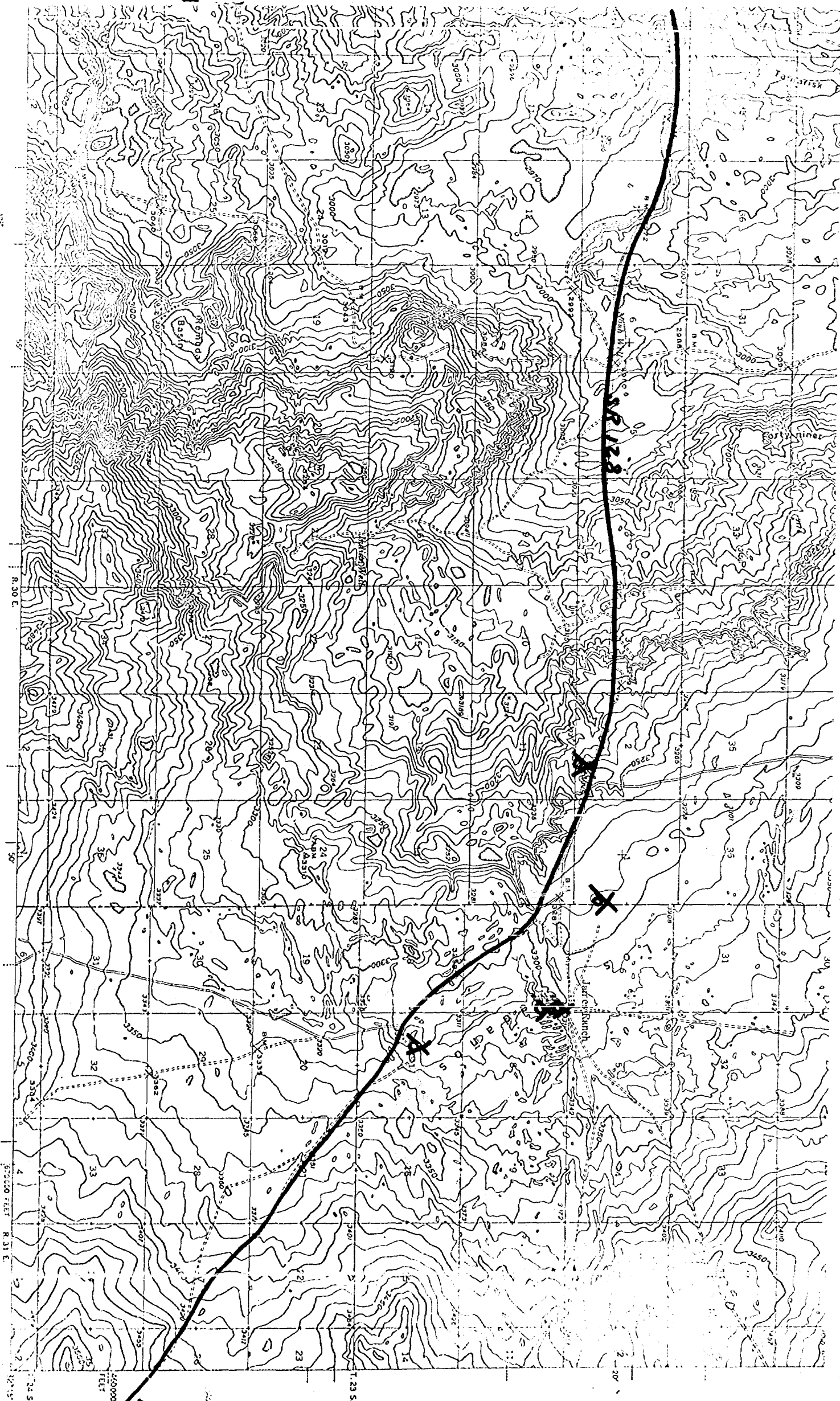
NORTH  
15°  
10° NORTH

Scale 1:62,500

1 2 3 4 Miles

ROUTES USUALLY TRAVELED  
HARD IMPROVED SURFACES  
OTHER SURFACE IMPROVEMENTS

Photocopy projection, 1927 North American Datum  
5000 yard grid based on U. S. zone of time, E



JASON W. KELLAHIN  
ROBERT E. FOX

KELLAHIN AND FOX  
ATTORNEYS AT LAW  
54 1/2 EAST SAN FRANCISCO STREET  
POST OFFICE BOX 1769  
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315  
AREA CODE 505

November 20, 1970

Oil Conservation Commission  
of New Mexico  
P. O. Box 2088  
Santa Fe, New Mexico 87501

*Case 4475*

Gentlemen:

Enclosed is an application from Texas American Oil Corporation for an exception to Order No. R-3221 as amended, Eddy County, New Mexico. We would appreciate your setting this application for hearing on December 16th if possible.

Thanking you, I am,

Yours very truly,

*Jason W. Kellahin*

Jason W. Kellahin

jwk;ls

DOCKET MAILED

Date 12-4-70



BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF TEXAS AMERICAN OIL CORPORATION  
FOR AN EXCEPTION TO ORDER NO. R-3221  
AS AMENDED, EDDY COUNTY, NEW MEXICO

*Case 4475*

A P P L I C A T I O N

Comes now Texas American Oil Corporation and applies to the Oil Conservation Commission of New Mexico for an exception to the provisions of Commission Order No. R-3221, as amended, to permit the use of an unlined surface pits for the disposal of produced water in the Sand Dunes Atoka Gas Pool, and the Sand Dunes Cherry Canyon Pool, Eddy County, New Mexico, or in the alternative, for an order excepting applicant's wells drilled as twin wells to said pools, in Unit G of Section 26, Township 23 South, Range 31 East, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Commission:

1. The Sand Dunes Atoka Gas Pool consists of Section 26, Township 23 South, Range 31 East, and the Sand Dunes Cherry Canyon Pool consists of the SW/4 NE/4 of Section 26, Township 23 South, Range 31 East. One well has been completed in each pool.

2. The two pools are located in an area where there is no fresh water supply, and there is no fresh water that can be contaminated by utilization of surface pits, and an exception should be granted from the provisions of Order No. R-3221, as amended, for the two pools as they presently exist, or as they may be extended by future development.

3. In the alternative, applicant would show the Commission that it has completed a well for production from the

Sand Dunes Atoka Gas Pool, located in Unit G, Section 26, Township 23 South, Range 31 East, which well is presently producing approximately 250 barrels of water per day, and no increase in water production is anticipated.

4. Applicant has completed a well for production of oil from the Sand Dunes Cherry Canyon Pool, located as a twin well to the Atoka well, also located in Unit G of Section 26, Township 23 South, Range 31 East, which well produces approximately 50 barrels of water per day.

5. Produced fluids have been utilized as drilling fluid in connection with other operations. Water disposal will be necessary in the near future unless an exception to the provisions of R-3221, as amended, is granted.

6. The area in which the wells are located is adjacent to the potash area, and drainage in the vicinity is toward a salt lake utilized for disposal of fluids from potash mining operations. There is no surface or underground water in the vicinity that could be contaminated by surface disposal in unlined pits. and to require underground disposal of produced water would constitute waste.

WHEREFORE applicant prays that this application be set for hearing before the Commission or the Commission's duly appointed examiner and that after notice and hearing as required by law the Commission enter its order granting an exception from the provisions of Order No. R-3221, as amended, for the Sand Dunes Atoka Gas Pool, and the Sand Dunes Cherry Canyon Pool, or in the alternative, that the Commission enter its order granting applicant an exception from the

provisions of Order R-3221, as amended, for its wells  
drilled in Unit G of Section 26, Township 23 South, Range  
31 East, N.M.P.M., Eddy County, New Mexico.

Respectfully submitted,  
TEXAS AMERICAN OIL CORPORATION

By Jason W. Kellahin  
KELLAHIN & FOX  
P. O. Box 1769  
Santa Fe, New Mexico

Attorneys for Applicant

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. 4475

Order No. R- 4097

APPLICATION OF TEXAS AMERICAN OIL  
CORPORATION FOR AN EXCEPTION TO  
ORDER NO. R-3221, AS AMENDED, EDDY  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 3, 1971,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this \_\_\_\_\_ day of February, 1971, 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. 4475 is hereby dismissed.

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