

4572

Application
Transcripts.

Small Exhibits

ETC.

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

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-4491 • ALBUQUERQUE, NEW MEXICO



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 28, 1971

Examiner Hearing

IN THE MATTER OF:)

Application of Franklin, Aston & Fair, Inc.,) Case No. 4572
for salt water disposal, Roosevelt County,)
New Mexico.)

BY: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

1 MR. UTZ: Is there anybody here in Case 4572?

2 MR. KELLAHIN: Yes, sir.

3 MR. HATCH: Case 4572. Application of Franklin,
4 Aston, and Fair, Inc., for salt water disposal, Roosevelt
5 County, New Mexico.

6 MR. KELLAHIN: If the Examiner please, Jason
7 Kellahin, Kellahin and Fox, Santa Fe, appearing for the
8 applicant.

9 We have one witness I would like to have sworn.

10 (Witness sworn)

11 MR. UTZ: Are there other appearances in this case?
12 (Whereupon, Applicant's Exhibits Numbers 1 through 3 were
13 marked for identification.)

14 GRANT M. SMITH

15 having been duly sworn testified as follows:

16 DIRECT EXAMINATION

17 BY MR. KELLAHIN:

18 Q Would you state your name, please?

19 A Grant M. Smith.

20 Q Mr. Smith, by whom are you employed, and in what position?

21 A I am a Petroleum Geologist for Franklin, Aston, and Fair,
22 Inc., Roswell, New Mexico.

23 Q Have you testified before the Oil Conservation Commission
24 or one of its Examiners and made your qualifications a
25 matter of record.

1 A Yes, sir, I have.

2 MR. KELLAHIN: Are the witness' qualifications
3 acceptable?

4 MR. UTZ: Yes, sir, they are.

5 Q (Mr. Kellahin continuing) Mr. Smith, are you familiar
6 with the application of Franklin, Aston and Fair, Inc.,
7 in Case 4572?

8 A Yes.

9 Q What is proposed by the applicants in this case?

10 A The applicants propose in this case to dispose of salt
11 water, produce salt water from the Todd-San Andres pool,
12 and the Franklin, Aston and Fair Cook number one well,
13 located in the Northwest quarter of the Southwest quarter
14 of Section thirty-two, Township seven South, Range
15 thirty-seven East, Roosevelt County, New Mexico.

16 Q Now, does that replace a well which has heretofore been
17 approved for salt water disposal?

18 A Yes, sir. Our MacIntyre or our Mark Federal number five
19 in the Southeast quarter -- in the Southwest quarter of the
20 Southeast quarter of Section twenty-five, 735 has been a
21 salt water disposal well for produced water from the Todd
22 Pool since 1968, I believe.

23 Q All right. Now, referring to what has been marked as the
24 Applicant's Exhibit Number one, would you identify that
25 exhibit, please?

- 1 A Yes. That is a Gamma Ray Sonic Log of the Cook Number one
2 well, showing the Slaughter A and the B zones and the
3 present perforations from which this well is producing,
4 and the zone into which we wish to dispose of produced
5 salt water.
- 6 Q And referring to what has been marked as exhibit number two,
7 would you identify that exhibit?
- 8 A That is the land dedication plat filed on this well when
9 it was --
- 10 Q That is when it was a producing well?
- 11 A That is when it was a producing well.
- 12 Q And it did produce from the Todd-San Andres?
- 13 A Todd-San Andres B zone, yes, sir.
- 14 Q Now, referring to what has been marked as exhibit number
15 three, would you identify that exhibit?
- 16 A Exhibit number three is a land plat showing all the wells
17 in the Todd-San Andres Pool, our Mark number five well
18 in Section twenty-five of seven South, thirty-five East,
19 is circled in red.
- 20 In the Northeast, or the Northwest quarter of the Southwest
21 quarter is a dry hole, circled in red, which I understand
22 is Gulf's disposal well in the same zone of the San Andres,
23 in which we wish to dispose of water in our Cook number
24 one well, which is two locations West of the Gulf line.
- 25 Q Now, at the present time you are disposing of the water in

1 the Mark Federal number five well; is that correct?

2 A That's correct.

3 O And why do you wish to make the Cook number one well a
4 disposal well?

5 A The number five well always has given us some trouble.

6 It is being disposed of in the C zone of the San Andres.

7 We originally wanted to dispose of the water in this zone

8 because this well is located on the up-dip side of the field,

9 and we didn't want the produced water in the B zone.

10 This well, as I mentioned, has given us trouble, bottom-hole
11 pressure continues to build in it.

12 We have had to change out and install a larger pump, and
13 periodically, we have to go in and reacidize this well.

14 O Now, how much -- I'm sorry.

15 A In talking with Gulf yesterday on the phone, they informed
16 me that they were having no trouble with their well in
17 Section thirty-two, and as this is on the down-dip side,
18 we feel we can inject here without any problem.

19 O Do you have a similar location to the Gulf well?

20 A Yes, yes sir.

21 O And you will inject into the same zone?

22 A Into the B zone, yes, sir.

23 O Into the B zone?

24 A Yes.

25 O Now, how much water is disposed of in the Mark Federal

1 number five at the present time?

2 A In June the water disposed of was 1800 barrels for Sun,
3 1201 barrels for Texaco, 420 barrels for A. C. Holder, and
4 12,708 barrels for Franklin, Aston and Fair.

5 O And that is a total of 16,201 barrels?

6 A That's correct.

7 O That is for the month?

8 A Right.

9 O And what is the production from the Cook number one?

10 A The Cook number one well in June produced 57 barrels of oil
11 and 1,950 barrels of water.

12 O Now, that producing 57 barrels of oil, why have you chosen
13 it for water disposal?

14 A Well, it is not economical for us to dispose at this time
15 with that much water being produced, and we have considered
16 drilling on 40 acre spacing in there since the well, or
17 the field was developed.

18 We have drilled one well on the -- what we call the Skelly
19 lease in the Southeast of the Northeast quarter of Section
20 thirty-one, 736, and we have drilled one in the Southeast
21 of the Northwest of the thirty-two of 736, and these wells
22 are pretty fair wells, and we think probably in this part
23 of the pool, at least, 40 acre spacing will be commercial.

24 We are giving some consideration to possibly water flooding
25 this better part of the field.

1 If we do that, then, our number one well will be in a
2 position for this.

3 Q It would be well located for a water flood project?

4 A Yes. Right.

5 Q In your opinion, will the injection of water into the B
6 zone cause any loss of oil in the Todd-San Andres Pool?

7 A No. I don't believe it will cause any loss of oil. There
8 is a possibility it may --

9 Q Increase it?

10 A -- It may increase the recovery.

11 Q The recovery?

12 A Yes.

13 Q Now, how would the well be equipped for disposing purposes?

14 A We would set a Packer on tubing, oh, roughly at 4290 feet,
15 and inject water into the perforations from 4306 to 4344,
16 as shown on the log.

17 Q Now, you would rerun the tubing; is that correct?

18 A Yes.

19 Q And would you use an internally coated tubing, or have you
20 found that to be necessary in this area?

21 A We have had trouble with the plastic separating from the
22 inside of the tubing.

23 If the Commission would permit, I believe we prefer to go
24 with unlined tubing and have a pressure gauge on the annular
25 space to make sure that no water was getting away into there,

1 although, I think this is extremely remote that it would.

2 Q Have you had any corrosion problems in this area?

3 A Not serious corrosion problems, no.

4 Q Were exhibits one, two, and three prepared by you or
5 under your supervision.

6 A Yes sir.

7 MR. KELLAHIN: I would like to offer at this time
8 exhibits one, two, and three.

9 MR. UTZ: Without objection, exhibits one through
10 three will entered into the record of this case.

11 CROSS EXAMINATION

12 BY MR. UTZ:

13 Q Mr. Smith, did I understand you to say that this well was
14 now making 57 barrels a day?

15 A A month, a month. If I said a day, it was wrong.

16 Q Fifty-seven a month?

17 A Yes. 57 barrels a month, and 1950 barrels of water was the
18 June production from the well.

19 Q Now, is the B zone in the upper or lower pool?

20 A It is the San Andres B zone, is what I would call a lower
21 San Andres.

22 Q Lower San Andres?

23 A Right.

24 Q And the C zone is lower, too?

25 A It is lower, still and as far as I know has never produced

- 1 anything but water in this area is why we injected into
2 it on the high side of the field.
- 3 Q I see. And then the A zone, I presume, is the upper pool?
4 A Is the upper pool, and as far as I have been able to
5 determine, all the wells in this zone are gas productive.
- 6 Q I see. Now, regarding your completion practice, you don't
7 have a diagramatic sketch? You are using your log for that;
8 is that correct?
- 9 A Yes.
- 10 Q Now, will your Packer be set?
11 A The Packer would be set at about 4290 feet, which would be
12 above the perforations in the B zone, which are from 4306
13 to 4344.
- 14 That would put it in the antihydrate streak which separates
15 the A zone from the B zone.
- 16 This well has five and a half-inch casing set at 4354.
- 17 Q Yes. Now, you are going to inject through 2-inch tubing?
18 A Yes.
- 19 Q And you don't want to internally coat it?
20 A If we can get by without it, we would prefer not to.
- 21 Q And you will fill the annulus with inert liquid?
22 A Yes.
- 23 Q Pressure gauge at the surface?
24 A Yes.
- 25 Q Now, where is the cement going to be, five and a half ---

1 A In most of these wells, and I didn't put the top of the
2 cement in this one, but we had used 250 sacks in practically
3 all these wells, and our cement almost always comes back
4 to around 3600 feet, which is right at the top of the
5 San Andres.

6 Q So you figure the cement will protect the A zone?

7 A Yes, sir.

8 Q How much water do you figure you are going to put away?

9 A Well, our June production was 16,201 barrels. I don't
10 see that it will be less than this.

11 Q Probably be more?

12 A More, yes.

13 Q I presume that the injection characteristics, you figure,
14 will be similar to the Gulf well?

15 Q How much water are they taking?

16 A I don't know how much they are putting away. They only
17 have two wells in the field, and this was a dry hole, and
18 they used that for the disposal well.

19 I imagine they are probably -- it would be similar to our
20 number one well, I imagine, but I don't know for sure.

21 Q They use pumps to put it away, or is it going in vacuum?

22 A I don't know that, either.

23 MR. UTZ: Are there other questions?

24 MR HATCH: Mr. Smith, could you furnish the Examiner
25 a schematic of the well showing the cement and casing and

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1 everything?

2 THE WITNESS: Well, yes.

3 MR. UTZ: Are there other questions? The witness
4 may be excused.

5 (Witness excused)

6 MR. UTZ: Statements? The case will be taken under
7 advisement.

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dearnley-meier reporting service

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I N D E X

WITNESS:

PAGE

Grant M. Smith

2

Direct Examination by Mr. Kellahin

2

Cross Examination by Mr. Utz

8

EXHIBITS

MARKED

OFFERED AND
ADMITTED

Applicant's 1 through 3

2

8

dearnley-meier reporting service

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

4 I, LINDA MALONE, Court Reporter, do hereby certify that
5 the foregoing and attached Transcript of Hearing before the
6 New Mexico Oil Conservation Commission was reported by me; and
7 that the same is a true and correct record of the said
8 proceedings, to the best of my knowledge, skill and ability.

9 *Linda Malone*
10 Court Reporter

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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Bernalillo hearing of Case No. 45-72
heard by me on *July 28*, 19*71*.
[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**

August 4, 1971

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

Re: Case No. 4572
Order No. R-4176
Applicant:

Franklin, Aston & Fair, Inc.

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 x
Artesia OCC x
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. 4572
Order No. R-4176

APPLICATION OF FRANKLIN, ASTON
& FAIR, INC., FOR SALT WATER
DISPOSAL, ROOSEVELT COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 28, 1971,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 3rd day of August, 1971, the Commission,
a quorum being present, having considered the testimony, the
record, and the recommendations of the Examiner, and being
fully advised in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Commission has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Franklin, Aston & Fair, Inc., is
the owner and operator of the Cook State Well No. 1, located in
Unit L of Section 32, Township 7 South, Range 36 East, NMPM,
Todd-Lower San Andres Pool, Roosevelt County, New Mexico.

(3) That the applicant proposes to utilize said well to
inject produced salt water into the "B" Zone of the Slaughter
section of the San Andres formation, with injection into the
perforated interval from approximately 4306 feet to 4344 feet.

(4) That the injection should be accomplished through
2-inch tubing installed in a packer set at approximately 4290
feet; that the casing-tubing annulus should be filled with an
inert fluid; and that a pressure gauge should be attached to
the annulus at the surface in order to determine leakage in the
casing, tubing, or packer.

-2-

CASE NO. 4572

Order No. R-4176

(5) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Franklin, Aston & Fair, Inc., is hereby authorized to utilize its Cook State Well No. 1, located in Unit L of Section 32, Township 7 South, Range 36 East, NMPM, Todd-Lower San Andres Pool, Roosevelt County, New Mexico, to dispose of produced salt water into the "B" Zone of the Slaughter section of the San Andres formation, injection to be accomplished through 2-inch tubing installed in a packer set at approximately 4290 feet, with injection into the perforated interval from approximately 4306 feet to 4344 feet;

PROVIDED HOWEVER, that the casing-tubing annulus shall be filled with an inert fluid and that a pressure gauge shall be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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. Armijo
ALEX J. ARMIDO, Member

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


S E A L

dr/

Case 45 ~~TR~~

Recd 7-28-71

Rec. 7-28-71

Grant Franklin Astor, Inc.
permission to convert their Cook
St. #1 L 32-7-36 - ~~Dodd~~
~~to~~ Lower San Andres, to
a SW disposal well.

Disposal to be thru 2" tubing
under a packer set at approx.
4290 x ~~into open hole~~ through
perfor. from 4306-44. The an-
nulus to be filled with inert
fluid w/ pressure gauge at
surface.

Thurs 7/29/71

FRANKLIN, ASTON & FAIR, INC.

OIL PRODUCERS

P. O. BOX 1090
101 N. MISSOURI AVE.
ROSWELL, NEW MEXICO 88201

TELEPHONE:
AREA CODE 505 622-2040

R. R. ASTON
PRESIDENT

TOM P. STEPHENS
EXECUTIVE VICE PRESIDENT
TREASURER

July 29, 1971

LADORA LUCAS
VICE PRESIDENT

RICHARD L. RAY
VICE PRESIDENT

MARY ANN MORRISON
SECRETARY

Mr. Elvis A. Utz
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Case 4572

Dear Mr. Utz:

Attached hereto are copies of the schematic for the Franklin, Aston & Fair, Inc. Cook State No. 1 in Section 32, Township 7 South, Range 36 East, Todd Lower San Andres Pool, Roosevelt County, New Mexico. In the hearing of Case 4572 it was requested that we submit a schematic showing the setting depth of the various casing strings and amounts of cement used.

If any additional information is needed, please let us know.

Very truly yours,

FRANKLIN, ASTON & FAIR, INC.

By: Grant M. Smith
Grant M. Smith

GMS:da

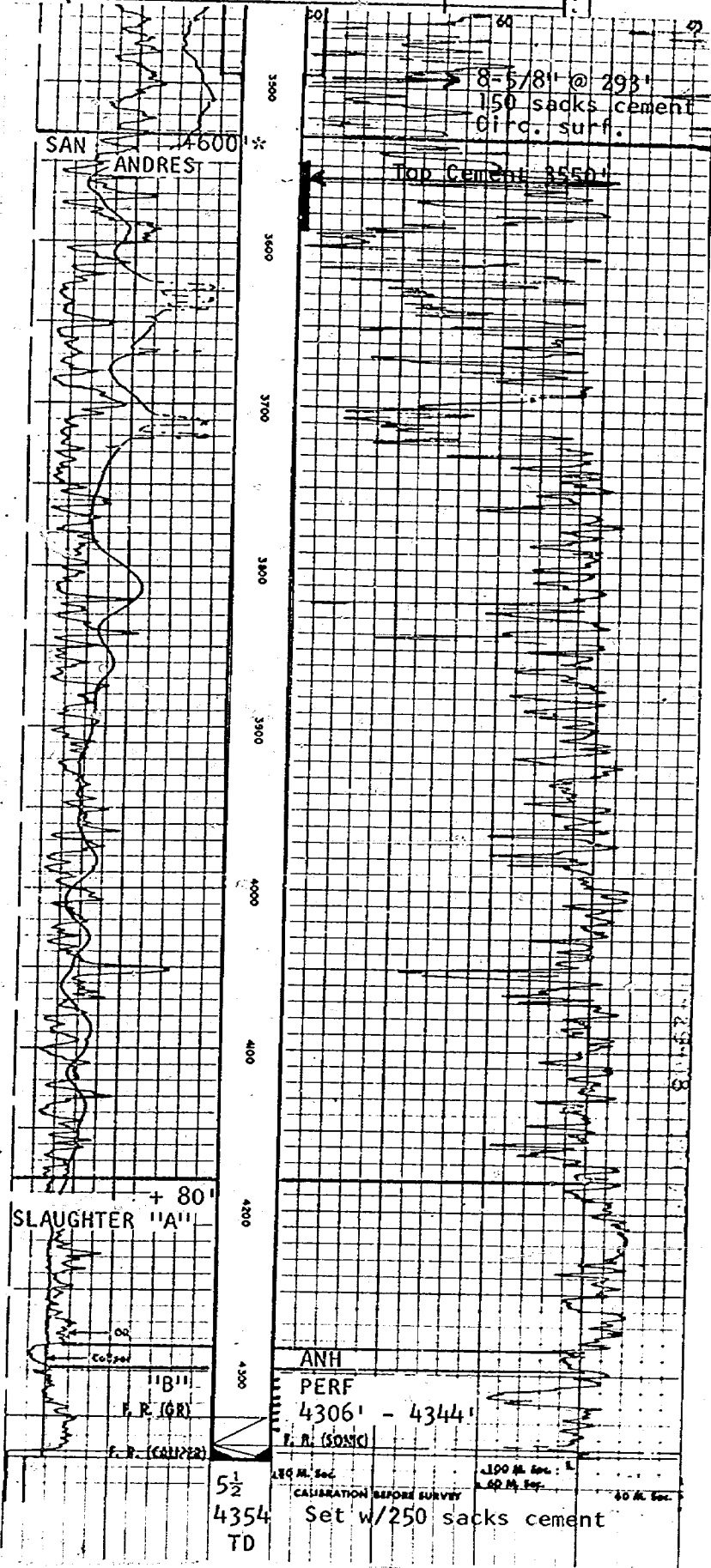
Enclosures

SCLUMBERGER

WELL LOG

COUNTY	ROOSEVELT
FIELD	1000
LOCATION	COOK STATE #1
WELL	1000 LOWER SAN ANDRES
CORRELATION	COOK STATE #1
DATE	1954
COMPANY	FRANKLIN, ASTON, & FAIR, INC.
WELL	COOK STATE #1
FIELD	1000 LOWER SAN ANDRES
COUNTY	ROOSEVELT
STATE	NEW MEXICO
LOCATION	2180 FSL & 660 FAL
Other Services:	
Sec.	32
Twp.	7-S
Rge.	3-E

* Data were furnished by the customer

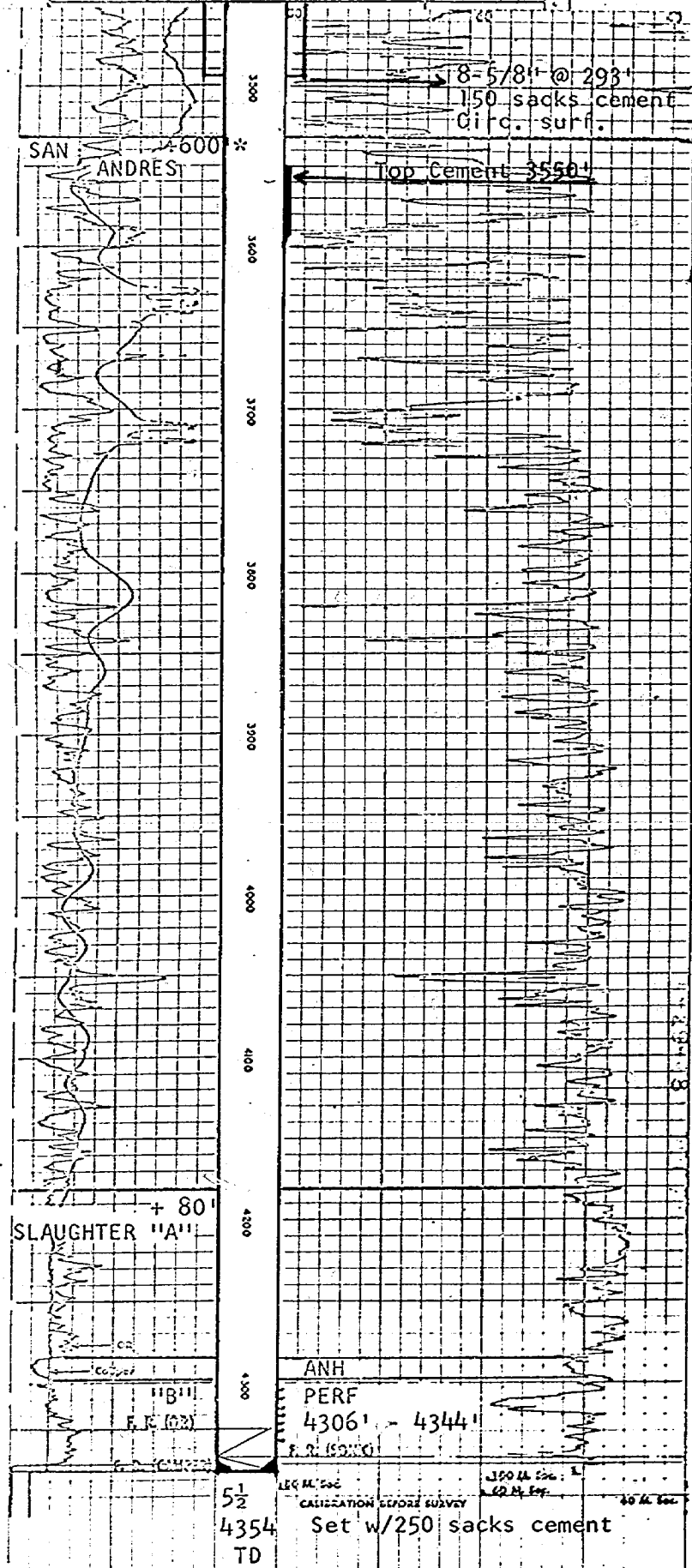


SCLUMBERGER

WELL LOG

COUNTY	ROOSEVELT
FIELD	1000
LOCATION	COOK STATE #1
WELL	1000 LOWER SAN ANDRES
CORRELATION	COOK STATE #1
DATE	1954
COMPANY	FRANKLIN, ASTON, & FAIR, INC.
WELL	COOK STATE #1
FIELD	1000 LOWER SAN ANDRES
COUNTY	ROOSEVELT
STATE	NEW MEXICO
LOCATION	2180 FSL & 660 FAL
Other Services:	
Sec.	32
Twp.	7-S
Rge.	3-E

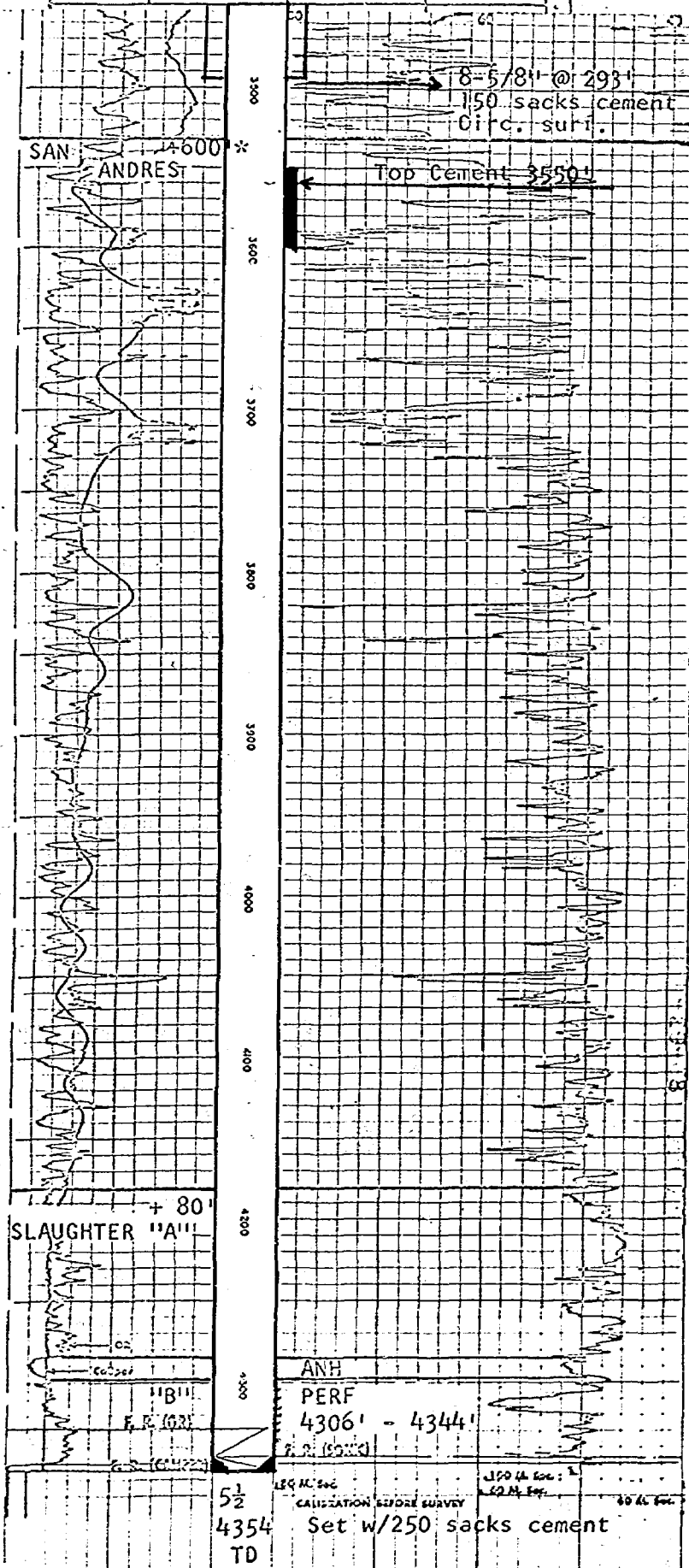
* Data were furnished by the customer



SCHLUMBERGER

WELL NAME: 2180 FSL & 660 FHL

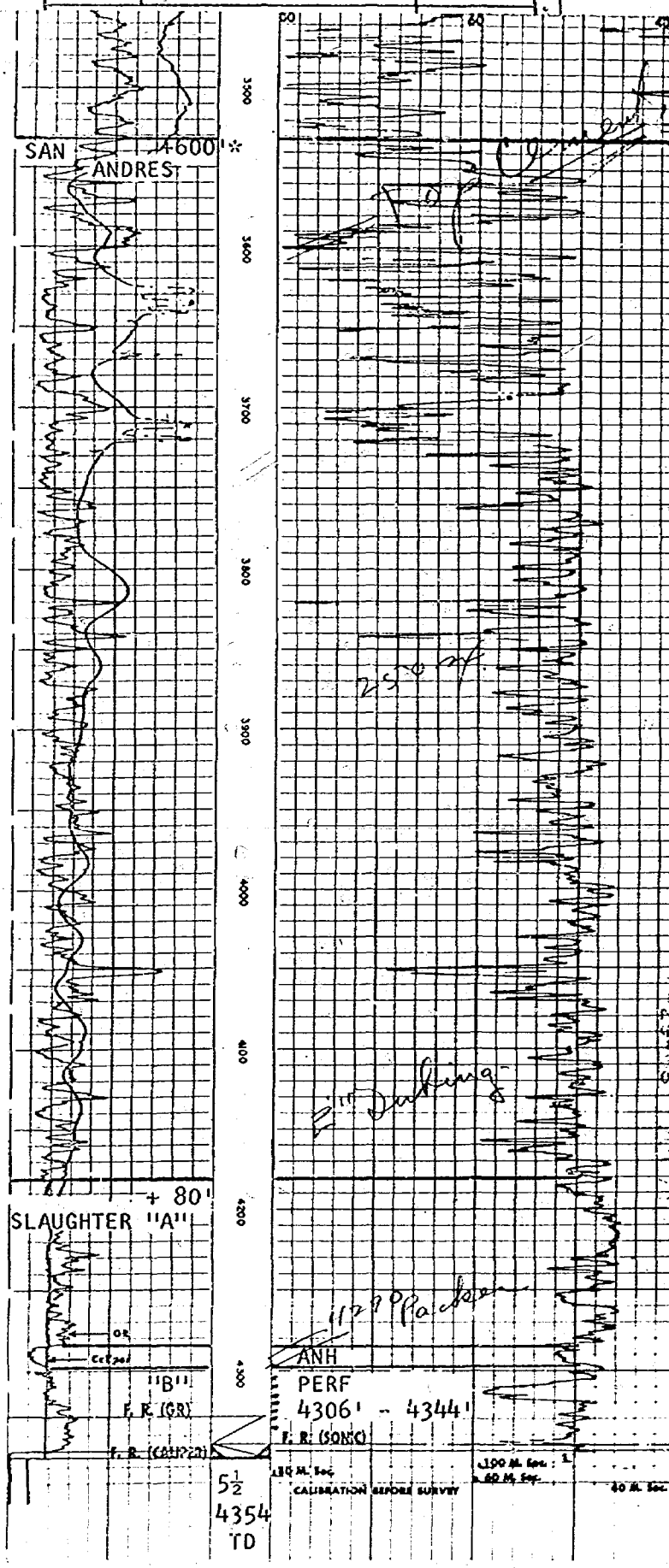
COUNTY	ROOSEVELT
FIELD	1020 LOWER SAN ANTONIO
WELL	2180 FSL & 660 FHL
COMPANY	FRANKLIN, ASTON, & FAIR, INC.
WELL	CORE STATE #1
FIELD	1020 LOWER SAN ANTONIO
COUNTY	ROOSEVELT STATE NEW MEXICO
LOCATION	2180 FSL & 660 FHL
Sec. 32	Twp. 7-S Rge. 26-E



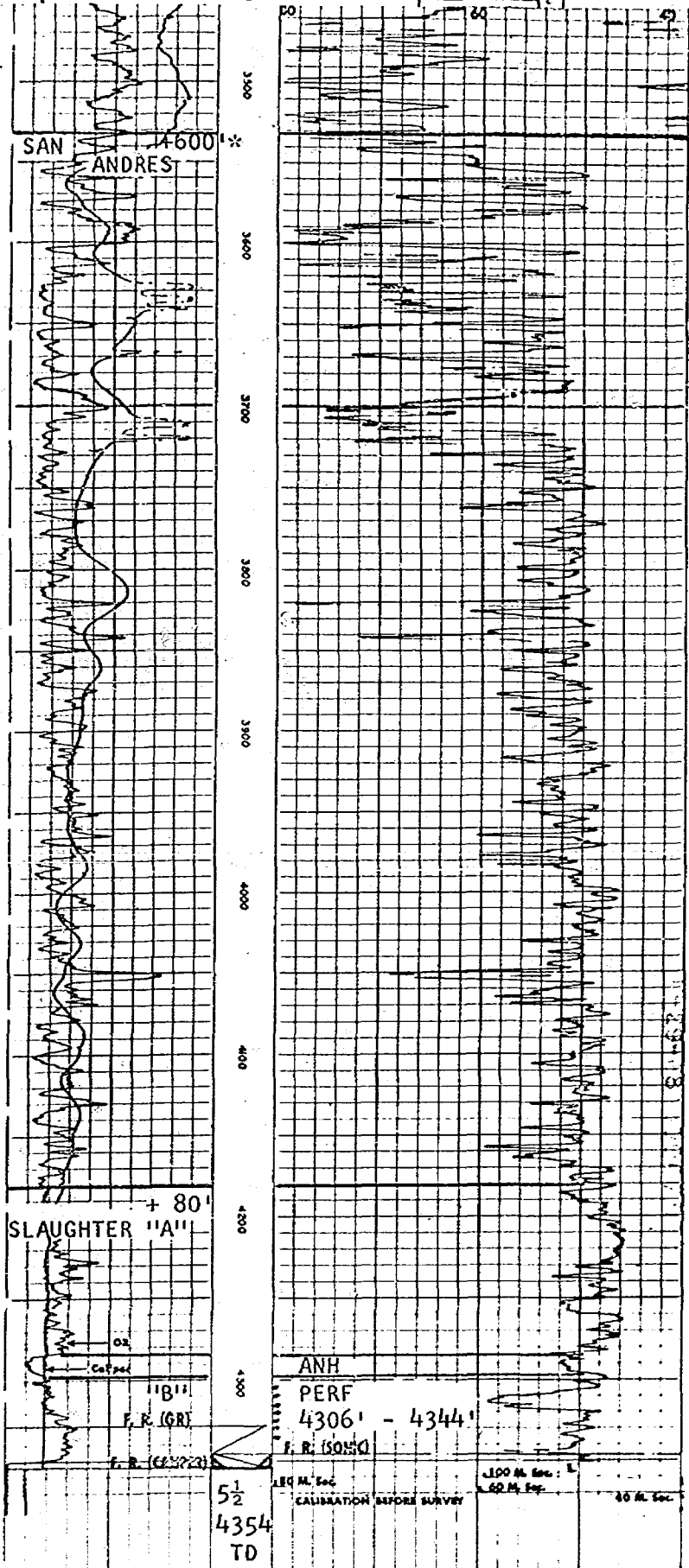
SCHLUMBERGER

WELL NAME: 2180 FSL & 660 FHL

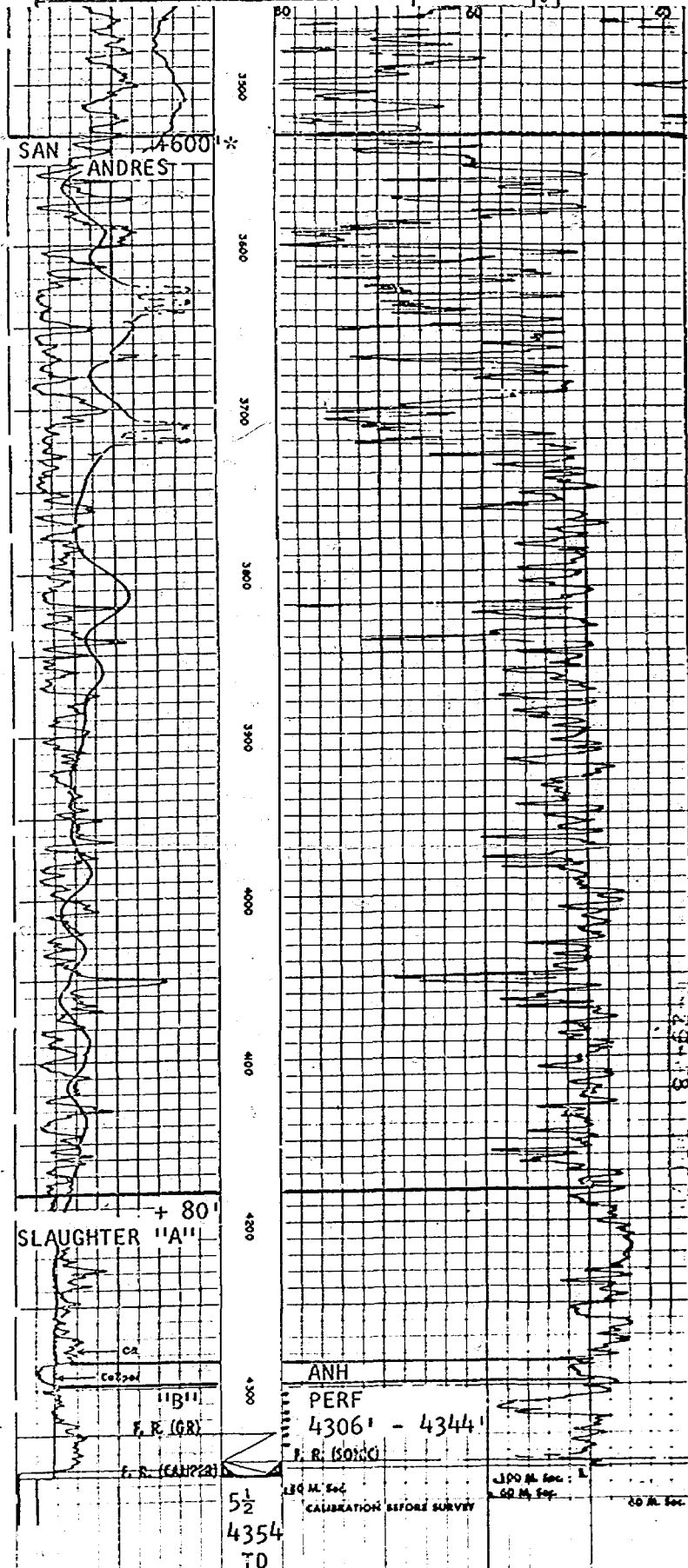
COUNTY	ROOSEVELT
FIELD	1020 LOWER SAN ANTONIO
WELL	2180 FSL & 660 FHL
COMPANY	FRANKLIN, ASTON, & FAIR, INC.
WELL	CORE STATE #1
FIELD	1020 LOWER SAN ANTONIO
COUNTY	ROOSEVELT STATE NEW MEXICO
LOCATION	2180 FSL & 660 FHL
Sec. 32	Twp. 7-S Rge. 26-E



SCHLUMBERGER		WELL LOG	
COMPANY FRANKLIN, ASTON, & FAIR, INC.		WELL COOK STATE #1	
FIELD TODD LOWER SAN ANDRES		COUNTY ROOSEVELT STATE NEW MEXICO	
LOCATION 2180 FSL & 660 FHL		Other Services:	
Sec. 32 Twp. 7-S Rge. 36-E			



SCHLUMBERGER		WELL LOG	
COMPANY FRANKLIN, ASTON, & FAIR, INC.		WELL COOK STATE #1	
FIELD TODD LOWER SAN ANDRES		COUNTY ROOSEVELT STATE NEW MEXICO	
LOCATION 2180 FSL & 660 FHL		Other Services:	
Sec. 32 Twp. 7-S Rge. 36-E			



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator FRANKLIN, ASTON & FAIR, INC.			Lease COOK STATE		Well No. 1
Unit Letter L	Section 32	Township 7 SOUTH	Range 36 EAST	County ROOSEVELT	
Actual Footage Location of Well:					
2180 feet from the SOUTH line and		660 feet from the WEST line			
Ground Level Elev. 4122	Producing Formation San Andres (Slaughter)		Pool Todd Lower San Andres	Dedicated Acreage: 80 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes," type of consolidation _____</p> <p>If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.</p>					
				<p>CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Grant M. Smith</i> Grant M. Smith Geologist</p> <p>Position Franklin, Aston & Fair, Inc.</p> <p>Company</p> <p>Date Apr. 10, 1968</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <p>Date Surveyed APRIL 5, 1968</p> <p>Registered Professional Engineer and/or Land Surveyor <i>John W. West</i></p> <p>Certificate No. 676</p>	

[illegible]

Docket No. 16-71

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 28, 1971

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

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

CASE 4539: (Continued from the June 30, 1971, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Doanbuy Lease & Company, Inc., and all other interested persons to appear and show cause why its following described wells in Section 27, Township 14 South, Range 33 East, Saunders Pool, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

Atlantic State AC-1	Well No. 1	Unit N
Atlantic State AC-2	Well No. 2	Unit M
Atlantic State AC-2	Well No. 3	Unit O
Atlantic State AC-3	Well No. 4	Unit L
Atlantic State AC-3	Well No. 5	Unit J
Atlantic State AC-4	Well No. 6	Unit P
Atlantic State AC-4	Well No. 7	Unit I

CASE 4558: (Continued from the June 30, 1971, Examiner Hearing)

Application of Midwest Oil Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Little Inbe (Bough "C") Unit Area comprising 2,240 acres, more or less, of state lands in Sections 10, 11, 14 and 15 of Township 10 South, Range 33 East, Inbe Permo-Pennsylvanian Pool, Lea County, New Mexico.

CASE 4559: (Continued from the June 30, 1971, Examiner Hearing)

Application of Midwest Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Little Inbe (Bough "C") Unit Area, Inbe Permo-Pennsylvanian Pool, Lea County, New Mexico, by the injection of water through three wells located in Sections 11 and 14 of Township 10 South, Range 33 East, Lea County, New Mexico.

CASE 4563: (Continued from the June 30, 1971, Examiner Hearing)

Application of Corinne Grace for special gas-oil ratio limitation and pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce her State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, Double L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation, strip the liquids, and institute a pressure maintenance project by the injection of all said gas back into the producing formation through her State Well No. 2 located in Unit B of said Section 1. Applicant further seeks to transfer an oil allowable from said Well No. 2 to said Well No. 1.

CASE 4561: (Continued and readvertised from the June 30, 1971, Examiner Hearing)

Application of Great Plains Land Company 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, to dispose of water produced by its well located in the NW/4 NW/4 of Section 31, Township 18 South, Range 31 East, Shugart Field, Eddy County, New Mexico.

CASE 4570: Application of Shenandoah Oil Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the interval from 1760 feet to 1840 feet by injection down the annulus of its Read & Stevens "M" Federal Well No. 1 located in Unit K of Section 28, Township 6 South, Range 27 East, Haystack-Cisco Gas Pool, Chaves County, New Mexico.

CASE 4571: Application of Read & Stevens for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the special rules and regulations governing the Buffalo Valley-Pennsylvanian Gas Pool to permit the drilling of a well at an unorthodox gas well location 990 feet from the South and West lines of Section 5, Township 15 South, Range 28 East, Chaves County, New Mexico, the S/2 of said Section 5 to be dedicated to the well.

CASE 4572: Application of Franklin, Aston & Fair, Inc., for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the "B" zone of the Slaughter section of the San Andres formation in its Cook State Well No. 1 located in Unit L of Section 32, Township 7 South, Range 36 East, Todd-San Andres Field, Roosevelt County, New Mexico.

CASE 4573: Application of Tenneco Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sand Springs South Unit Area comprising 2536 acres, more or less, of state lands in Township 11 South, Ranges 34 and 35 East, Lea County, New Mexico.

CASE 4574: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tenneco Oil Company to appear and show cause why it should not take immediate action to repair the production casing in its Bolack "B" Well No. 5 located in Unit J of Section 31, Township 27 North, Range 8 West, Basin-Dakota Pool, San Juan County, New Mexico.

CASE 4569: (Continued from the July 14, 1971, Examiner Hearing)
Application of Barber Oil, Inc., for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a producing oil well at an unorthodox location 1326 feet from the South line and 5 feet from the West line of Section 13, Township 20 South, Range 28 East, as an infill well in its waterflood project in the Russell (Yates) Pool, Eddy County, New Mexico.

BEFORE THE
OIL CONSERVATION COMMISSION
OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF FRANKLIN, ASTON & FAIR, INC.,
FOR SALT WATER DISPOSAL, ROOSEVELT
COUNTY, NEW MEXICO

Case 4572

A P P L I C A T I O N

Comes now Franklin, Aston & Fair, Inc., and applies to the Oil Conservation Commission of New Mexico for approval of salt water disposal in its Cook State No. 1 Well, located 2180 feet from the South line, and 660 feet from the West line of Section 32, Township 7 South, Range 36 East N.M.P.M., Roosevelt County, New Mexico, and in support thereof would show the Commission:

1. Applicant proposes to dispose of produced water in the "B" zone of the Slaughter section of the San Andres formation.

2. The proposed disposal well was originally completed for production from the Todd-San Andres pool, Roosevelt County, New Mexico, but is no longer capable of commercial production.

3. The proposed disposal well will be a replacement well for the applicant's Mark Federal No. 5 well, located in Section 25, Township 7 South, Range 35 East, which is a disposal well in the "C" zone of the San Andres formation.

4. Approval of the subject well for salt water disposal will not result in waste, and correlative rights will not be impaired.

DOCKET MAILED

Date 7-16-71

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 approving use of well for disposal purposes.

Respectfully submitted,

FRANKLIN, ASTON & FAIR, INC.

By Jason W. Kellahin
KELLAHIN & FOX
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

DRAFT

GMH/dr

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. 4572

Order No. R- 4176

APPLICATION OF FRANKLIN, ASTON & FAIR,
INC., FOR SALT WATER DISPOSAL,
ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 28, 1971,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this July day of July, 1971, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Franklin, Aston & Fair, Inc., is
the owner and operator of the Cook State Well No. 1, located in

Unit L of Section 32, Township 7 South, Range 36 East, NMPM,

~~Todd-San Andres Field~~
Todd-San Andres Field, Roosevelt County, New Mexico.

-2-

CASE NO. 4572

Order No. R-

(3) That the applicant proposes to utilize said well to inject produced salt water into the "B" Zone of the Slaughter section of the San Andres formation, with injection into the perforated interval from approximately 4306 feet to 4344 feet.

~~(4) That the subject well should be classified as a~~
~~_____ project injection well.~~

~~(5) That the subject _____ project is in~~
~~the interest of conservation and should result in greater ultimate~~
~~recovery of oil, thereby preventing waste.~~

(4) ~~(5)~~ That the injection should be accomplished through 2 ~~3/8~~-inch ~~plastic lined~~ tubing installed in a packer set at approximately 4290 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(5) ~~(4)~~ That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Franklin, Aston & Fair, Inc., is hereby authorized to institute a _____ project in the "B" Zone of the Slaughter section of the San Andres formation, Roosevelt County, New Mexico, by the injection of water into the San Andres formation through its Cook State Well No. 1, located in Unit L of Section 32, Township 7 South, Range 36 East, NMPM, Todd-San Andres Field, Roosevelt County, New Mexico.

Case No. 4572

Order No. R-

(1) That the applicant, Franklin, Aston & Fair, Inc., is hereby authorized to utilize its Cook State Well No. 1, located in Unit L of Section 32, Township 7 South, Range ³⁶~~23~~ East, NMPM, Todd-Lower San Andres Pool, Roosevelt County, New Mexico, to dispose of produced salt water into the "B" Zone of the Slaughter section of the San Andres formation, injection to be accomplished through 2 ~~3/4~~-inch tubing installed in a packer set at approximately 4290 feet, with injection into the perforated interval from approximately 4306 feet to 4344 feet;

PROVIDED HOWEVER, that the casing-tubing annulus shall be filled with an inert fluid and that a pressure gauge shall be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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