

CASE 4015: Application of WILSON  
OIL COMPANY for salt water  
disposal, Lea County, New Mexico

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Case Number

4015

Application  
Transcripts.

Small Exhibits

ETC.

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

1120 SIMMAS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO



BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
January 8, 1969  
EXAMINER HEARING

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IN THE MATTER OF: )  
)  
)

Application of Wilson Oil )  
Company for salt water )  
disposal, Lea County, )  
New Mexico. )  
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Case No. 4015

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: The next case will be Case 4015.

MR. HATCH: Case 4015, continued from December 27, 1968, Examiner Hearing, Application of Wilson Oil Company for salt water disposal, Lea County, New Mexico.

MR. LOSEE: A. J. Losee, Artesia, New Mexico, representing the applicant. I have one witness, Mr. Lamb.

(Witness sworn.)

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

RAYMOND LAMB

called as a witness by the Applicant, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. LOSEE:

Q State your name, residence, and occupation?

A Raymond Lamb, Artesia, New Mexico, Petroleum Engineer for Wilson Oil Company.

Q How long have you been so engaged?

A In excess of twenty years.

O Have you previously testified before this Commission and had your qualifications as an engineer accepted?

A I have.

MR. LOSEE: Are Mr. Lamb's qualifications acceptable?

MR. NUTTER: Yes.

Q Mr. Lamb, the purpose of this application is to seek authority of the Commission to dispose of salt water in six disposal wells, and to provide an administrative procedure for the conversion of additional oil wells into salt water disposal wells in the Seven Rivers-Yates Formation.

A Correct.

Q Referring to what has been marked as Exhibit 1, will you show what has been marked on this exhibit?

A This plat is an area of the Wilson Pool, with the red lines designating the salt water disposal well, and the lines distributing the salt brine from the pits to the wells. The yellow circles are the circles designating fresh water wells, the brown being the location of the pits or batteries.

MR. NUTTER: Mr. Lamb, my exhibit doesn't have any yellow wells circled on it.

THE WITNESS: There is only one, and I have that.

MR. NUTTER: Could you identify them, and I will mark them with an X on this exhibit?

THE WITNESS: The yellow circles are only in the event that you happen to ask a question as to which wells we attempted to dispose of water in and couldn't make it. That is the reason for the yellow. I will give them to you, if you want to know

the wells that we attempted to use for disposal wells and couldn't use.

MR. NUTTER: Well, it may be pertinent or not. Go ahead with your testimony.

Q Does this map also show the offset operators?

A Yes.

Q Is there any production coming from any offset leases?

A There is no production at present from offset leases from the Yates-Seven Rivers Formation.

Q Is that where all of the production is coming in this Wilson Pool?

A That's right.

Q When this conversion is completed, how many producing wells will there be in the pool?

A There will be about seventeen wells.

Q Wilson operates all of them?

A Yes.

Q Are you abandoning any existing wells other than the six that you are converting to disposal?

A We are abandoning in the south half of 24.

Q There are two wells on that lease?

A Yes.

Q How much oil have they been making?

A Together, they will make about eight barrels.

Q Now, your water is coming from what formation?

A Well, the basic, major part of the water will be coming from the Seven Rivers Formation.

Q What formation do you propose to dispose of into?

A Return to the same horizon.

Q Refer to what has been marked as Exhibit Number 2, being a compilation of the disposal well data, showing the well numbers, the footages, the pipe set in the well and the size of the pipe, and the depth of the pay. Is there anything else significant shown on this well data compilation?

A There is. All of these, it should be noted, are in open hole disposal, with the exception of Shell 13 which will be through perforated casing.

Q All the rest of them, your disposal will be made below the pipe?

A That's right.

Q Were all of these wells producing wells prior to the time of your conversion?

A Four were producing, two were more or less abandoned.

Q Those two that were abandoned were 13 and 20?

A That's right.

Q How much oil was 1-A making at the time of its

conversion?

A Making about four, four and a half barrels a day.

Q While No. 8 was making four to five barrels a day?

A That's right.

Q And No. 9 was making five barrels a day?

A That's right.

Q And well 21 was making about five barrels a day?

A On an average, five, five and a half, yes.

Q Now, as to the cement that is used on that production string, is this the correct statement of the amount of sacks of cement that is behind the pipe in each of those wells, 1-A, 100 sacks, well 8, 300 sacks, well 9, 400 sacks, well 20, 200 sacks, well 21, 350 sacks, well 13, 200 sacks?

A That is correct.

Q Approximately how much water will be disposed of in these six wells?

A We are producing from the field approximately 1,000 barrels a day, and the majority of this will be going into well No. 20. The rest of it will be scattered among the other disposal wells.

Q Are you going to pump this water into the ground or let it go by gravity?

A At the present time, it is going on gravity.



Q Are you treating the water?

A It will be necessary to treat the water with chemicals, and occasional acid stick.

Q And in order for these wells to take this produced water, was it necessary to acidize any of them?

A We have acidized 21, and 13, and 9.

Q Is there any oil and gas producing zones, or producible zones behind the pipe in any of these salt water disposal wells?

A There is a minor gas reserve of actually little significance, but there is some gas behind the pipe.

Q Any oil?

A None.

Q Now, for what reason have you asked the Commission to establish some administrative procedure whereby you can convert other wells in the pool to salt water disposal?

A In the event these wells run into--we run into a problem with these wells of disposing of the produced water, we would like for the Commission to have administrative authority to select additional wells to replace these that we might run into problems with.

Q Were Exhibits 1 and 2 prepared by you?

A They were.

MR. LOSEE: Applicant moves the introduction of

Exhibits 1 and 2.

MR. NUTTER: Wilson Oil Company Exhibits 1 and 2 will be admitted in evidence.

(Whereupon, Applicant's Exhibits Numbers 1, 2, inclusive, were admitted in evidence.)

MR. LOSEE: I have no further questions.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Lamb, you mentioned at the present time you were producing approximately 1,000 barrels of water per day from about seventeen producing oil wells?

A That's right.

Q And most of the water would be disposed of into well No. 20?

A Yes, that south end is making the most water at the present time, and it is going into 21 instead of 20.

Q Now, which wells or which area would be served by disposal wells No. 20 and 21, the wells in Section 23?

A They are in pit 3, yes, the water going into pit 3. We have a commingling setup there for that battery. It takes in all the producing wells in Section 23.

Q And you won't have any future production then in Section 24, correct?

A Yes, we are abandoning that production.

Q In Section 13, which general area of Section 13 will be going into well No. 9?

A All with the exception of wells No. 42 and 5. This is a commingled battery, too. Actually, these two batteries are connected together. It is a commingling setup. However, there are two batteries, and we are in the position to switch well No. 42 from one battery to the other. If we run into trouble with nine, too much water, we can switch it over and run it into the disposal well 8. But they are separate batteries, but they are under commingling order.

Now, the northeast corner, the Shell 10 and Shell 13, go into a battery over in Section 18.

Q Where is Shell 10--oh, I see.

A You see they were going to the battery in the northwest of the northwest to 18. We are bringing the water back down now into Shell 13.

Q So No. 13 will be taking the water produced by No. 10, and also the Wyoming Lease in the northwest northwest of 18, and also the lease there in the west half of Section 7?

A That's right. We have collected the water from pits No. 6 and No. 7, and will take it down to 13.

Q And then well No. 1-A up here in the extreme north

will be serving the northeast quarter of Section 7?

A Actually, just the one well. We had two wells on the lease. We have abandoned No. 1, to make it a disposal well, leaving us No. 2 as the only producer.

Q No. 1 is not producing?

A No.

Q At this time, you are requesting these six wells and the administrative procedure for additional wells, should the event arise?

A Yes.

MR. NUTTER: Any further questions of Mr. Lamb? You may be excused. Do you have anything further, Mr. Losee?

MR. LOSEE: No, sir.

MR. NUTTER: Does anyone have anything they wish to offer in Case 4015? We will take the case under advisement.

I N D E X

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<u>EXHIBITS</u>	<u>MARKED</u>	<u>OFFERED AND ADMITTED</u>
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STATE OF NEW MEXICO     )  
                                   )     ss.  
 COUNTY OF BERNALILLO    )

I, SAMUEL MORTELETTE, 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.

*Samuel Mortelette*  
 COURT REPORTER

I do hereby certify that the foregoing is  
 a true and correct record of the  
 the hearing held on 1/8 4015  
 heard at 10:00 AM 69  
*Chetman*  
 New Mexico Oil Conservation Commission.

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

December 27, 1968

EXAMINER HEARING

IN THE MATTER OF:

Application of Wilson Oil  
Company for salt water  
disposal, Lea County,  
New Mexico.

Case No. 4015

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. HATCH: Case 4015, Application of Wilson Oil Company for salt water disposal, Lea County, New Mexico. If the Examiner please, we have had a request that this case be continued to January 8th.

MR. NUTTER: Case 4015 will be continued to the Examiner Hearing at this same place at nine o'clock A.M. on January 8th. The hearing is adjourned.



STATE OF NEW MEXICO     )  
                                   )     ss.  
 COUNTY OF BERNALILLO    )

I, SAMUEL MORTELETTE, 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.

*Samuel Mortelette*  
 COURT REPORTER

I do hereby certify that the foregoing is a true and correct record of the proceedings in the hearing of Case No. 4015, held by me on 12/27, 1968.  
*Heenan*, Examiner  
 New Mexico Oil Conservation Commission

GOVERNOR  
DAVID F. CARGO  
CHAIRMAN

State of New Mexico  
**Oil Conservation Commission**



LAND COMMISSIONER  
GUYTON B. HAYS  
MEMBER

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

P. O. BOX 2088  
SANTA FE

January 13, 1969

Mr. A. J. Losee  
Attorney at Law  
Post Office Box 239  
Artesia, New Mexico 88210

Re: Case No. 4015  
Order No. R-3657  
Applicant: Wilson Oil Company

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

Carbon copy of order also sent to:

Hobbs OCC X

Artesia OCC       

Aztec OCC       

Other State Engineer Office

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. 4015  
Order No. R-3657

APPLICATION OF WILSON OIL COMPANY  
FOR 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 January 8, 1969,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 13th day of January, 1969, 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, Wilson Oil Company, is the owner  
and operator of the following wells in the Wilson Yates-Seven  
Rivers Pool, Lea County, New Mexico:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM

Wilson State Well No. 9 located in Unit F of Section 13;  
Shell State Well No. 13 located in Unit H of Section 13;  
Wilson State Well No. 8 located in Unit O of Section 13;  
Wilson State Well No. 20 located in Unit B of Section 23;  
Wilson State Well No. 21 located in Unit J of Section 23;

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Wilson State Well No. 1-A located in Unit G of Section 7.

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CASE No. 4015

Order No. R-3657

(3) That the applicant proposes to utilize said wells to dispose of produced salt water into the Yates and Seven Rivers formations, with injection into the intervals as follows:

The open-hole interval from approximately 3601 feet to 3781 feet in the Wilson State Well No. 9;

The perforated and open-hole interval from approximately 3778 feet to 4139 feet in the Shell State Well No. 13;

The open-hole interval from approximately 3442 feet to 3775 feet in the Wilson State Well No. 8;

The open-hole interval from approximately 3720 feet to 3965 feet in the Wilson State Well No. 20;

The open-hole interval from approximately 3602 feet to 3749 feet in the Wilson State Well No. 21; and

The open-hole interval from approximately 3822 feet to 3846 feet in the Wilson State Well No. 1-A.

(4) That injection into each of the above-described wells down the casing should be permitted provided said produced water is continuously treated prior to injection to prevent corrosion.

(5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

(6) That the applicant further seeks the establishment of an administrative procedure whereby additional wells in the Wilson Yates-Seven Rivers Pool could be placed on salt water disposal.

(7) That an administrative procedure should be established for the approval of additional salt water disposal wells in the Wilson Yates-Seven Rivers Pool, provided that such additional salt water disposal wells are completed in a manner similar to the subject wells.

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CASE No. 4015

Order No. R-3657

IT IS THEREFORE ORDERED:

(1) That the applicant, Wilson Oil Company, is hereby authorized to utilize its following-described wells in the Wilson Yates-Seven Rivers Pool, Lea County, New Mexico, to dispose of produced salt water into the Yates and Seven Rivers formations, with injection to be accomplished as follows:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM

Wilson State Well No. 9 located in Unit F of Section 13, injection to be accomplished down the casing, with injection into the open-hole interval from approximately 3601 feet to 3781 feet;

Shell State Well No. 13 located in Unit H of Section 13, injection to be accomplished down the casing, with injection into the perforated and open-hole interval from approximately 3778 feet to 4139 feet;

Wilson State Well No. 8 located in Unit O of Section 13; injection to be accomplished down the casing, with injection into the open-hole interval from approximately 3442 feet to 3775 feet;

Wilson State Well No. 20 located in Unit B of Section 23, injection to be accomplished down the casing, with injection into the open-hole interval from approximately 3720 feet to 3965 feet;

Wilson State Well No. 21 located in Unit J of Section 23, injection to be accomplished down the casing, with injection into the open-hole interval from approximately 3602 feet to 3749 feet;

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Wilson State Well No. 1-A located in Unit G of Section 7, injection to be accomplished down the casing, with injection into the open-hole interval from approximately 3822 feet to 3846 feet;

PROVIDED HOWEVER, that said produced salt water shall be continuously treated prior to injection to prevent corrosion.

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CASE No. 4015  
Order No. R-3657

(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 as an exception to Rule 701 of the Commission Rules and Regulations, the Secretary-Director is hereby authorized to approve additional salt water disposal wells in the Wilson Yates-Seven Rivers Pool when an application for such authority has been filed and the Secretary-Director determines that approval of the application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights;

PROVIDED HOWEVER, that any such additional salt water disposal well shall be completed in a manner similar to the subject wells, and provided further, that such disposal shall be into the Yates and Seven Rivers formations.

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

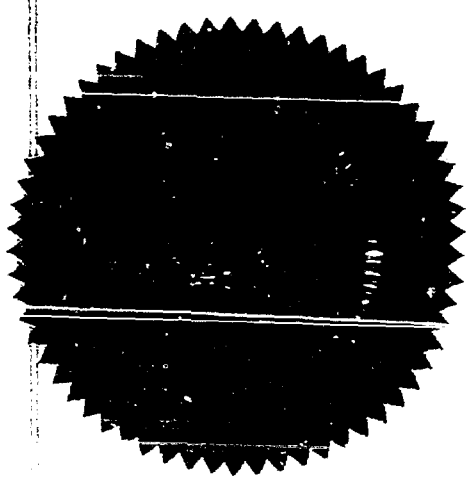
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
DAVID F. CARGO, Chairman

  
ALEX J. ARMILLO, Member

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



esr/

DOCKET: EXAMINER HEARINGS - FRIDAY - DECEMBER 27, 1968

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 4005: Application of Petroleum Corporation of Texas for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Pennsylvanian formation in the perforated interval from 9783 to 9946 feet in its State HTB Well No. 1 located in Unit D of Section 31, Township 12 South, Range 34 East, East Hightower-Upper Pennsylvanian Pool, Lea County, New Mexico.

CASE 4006: Application of Petroleum Corporation of Texas for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the San Andres formation through its State Federal Well No. 2 located in Unit N of Section 6, Township 18 South, Range 27 East, Red Lake Pool, Eddy County, New Mexico.

CASE 4007: Application of Paul Dellea for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete his Bagley State Well No. 1 located in the NW/4 NW/4 of Section 34, Township 11 South, Range 34 East, Lea County, New Mexico, in such a manner as to produce oil from the Bagley-Pennsylvanian Pool and to dispose of produced salt water down the annulus between the production casing and the intermediate casing into the San Andres, G. Sierra, and possibly other formations in the interval from approximately 7799 feet to 7758 feet.

CASE 4008: Application of Paul Dellea for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete his Shell State Well No. 1 located in the NW/4 NE/4 of Section 19, Township 11 South, Range 34 East, Lea County, New Mexico, in such a manner as to produce oil from the Ino-Pennsylvanian Pool and to dispose of produced salt water down the annulus between the production casing and the intermediate casing into the San Andres, G. Sierra, and possibly other formations in the interval from approximately 7774 feet to 7740 feet.

- CASE 4009: Application of Humble Oil & Refining Company 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 perforated interval from approximately 4273 feet to 4329 feet in its New Mexico "BX" State Well No. 3 located in Unit G of Section 16, Township 8 South, Range 33 East, Chaveroo-San Andres Pool, Chaves County, New Mexico.
- CASE 4010: Application of John H. Trigg for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg-San Andres formations through his Empire "J" Federal Well No. 1 located in Unit P of Section 1, Township 18 South, Range 26 East, Red Lake Grayburg-San Andres Pool, Eddy County, New Mexico.
- CASE 4011: Application of Sam D. Ares for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates-Seven Rivers formation in the open-hole interval from approximately 3520 feet to 3639 feet in his Charles Whitten Well No. 5 located in Unit B of Section 4, Township 24 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.
- CASE 4012: Application of Sam D. Ares for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-3602 to authorize the disposal of produced salt water into the Yates-Seven Rivers formations in the open-hole interval from approximately 3363 feet to 3650 feet in his Everett Well No. 4, located in Unit M, Section 35, Township 24 South, Range 36 East, Jalmat Pool, Lea County, New Mexico. The subject disposal well would be in lieu of the Everett Well No. 2, previously authorized for disposal by Order No. R-3602.
- CASE 4013: Application of Redfern Development Corporation and Wil-Mc Oil Corporation for salt water disposal, Lea County, New Mexico. Applicants, in the above-styled cause, seek authority to dispose of produced salt water into the San Andres formation in the interval from approximately 4200 feet to 4300 feet in the Wil-Mc State Well No. 1-K, located in Unit O of Section 11, Township 10 South, Range 32 East, Mescalero-San Andres Pool, Lea County, New Mexico.



CASE 4014: Application of Ralph Lowe 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 Devonian formation in the perforated interval from approximate 12,350 feet to 12,455 feet in his "C" Devonian Unit Well No. 1 located in Unit O of Section 16, Township 10 South, Range 36 East, South Crossroads-Devonian Pool, Lea County, New Mexico.

CASE 3991: (Continued and Readvertised)

Application of Roger C. Hanks, Ltd., 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 Devonian formation in the open-hole interval from approximately 10,804 feet to 10,885 feet in its Monterey State Well No. 1 located in Unit A of Section 11, Township 10 South, Range 32 East, Mescalero Field, Lea County, New Mexico.

CASE 4015: Application of Wilson Oil 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 Yates-Seven Rivers formations, Wilson Yates-Seven Rivers Pool, Lea County, New Mexico, through the following six wells:

TOWNSHIP 21 SOUTH, RANGE 34 EAST

Wilson State Well No. 9 located in Unit F of Section 13;

Shell State Well No. 13 located in Unit H of Section 13;

Wilson State Well No. 8 located in Unit O of Section 13;

Wilson State Well No. 20 located in Unit B of Section 23;

Wilson State Well No. 21 located in Unit J of Section 23;

TOWNSHIP 21 SOUTH, RANGE 35 EAST

Wilson State Well No. 1-A located in Unit G of Section 7;

Applicant further seeks an administrative procedure whereby other wells in said pool may be approved for disposal purposes without the requirement of notice and hearing.

# Wilson Oil Company

INCORPORATED UNDER THE LAWS OF NEW MEXICO



P. O. BOX 627

SANTA FE, NEW MEXICO

TELEPHONE 983-7141

January 10, 1969

MAILED  
JAN 11 AM 8 30

Mr. Dan Nutter, Examiner  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Nutter:

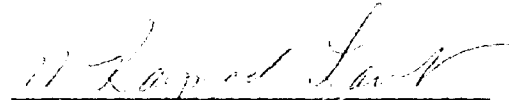
This is to acknowledge your telephone request for additional well data on disposal wells in Case 4015 heard January 8, 1969.

The produced water will be disposed of down oil string of casing without use of packers or tubing in order to reduce friction and permit injection of water by gravity head.

The attached table lists surface casing and cement data on the six disposal wells covered by Case 4015.

Yours truly,

WILSON OIL COMPANY

  
N. RAYMOND LAMB, Vice-President

NRL:lw

Encl.

08 8 HV 11 HV 69,

000 501250 R/W

WILSON OIL COMPANY

PROPOSED DISPOSAL WELL DATA

<u>LEASE</u>	<u>WELL</u>	<u>LOCATION</u>	<u>SURFACE CASING</u>	<u>SAX CEMENT</u>
Wilson	State #9	P 13-21-34	16" 108'	125 circulated.
Wilson	State #8	O 13-21-34	16" 130'	175 circulated.
Wilson	State #20	B 23-21-34	16" 183'	72 circulated.
Wilson	State #21	J 23-21-34	16" 217'	250 circulated.
Shell	State #13	H 13-21-34	16" 110'	80 circulated.
Wilson	State #1-A	G 7-21-35	16" 100'	Mudded - No shallow water.

The surface casing shown above was set in top of red beds and protects all shallow water where present.

1-10-69      NRL

Case #4015

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 8, 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 A. L. Porter, Jr., Alternate Examiner:

CASE 4016: Application of American Trading and Production Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Southeast Lea Unit Well No. 2 located in Unit L of Section 25, Township 20 South, Range 35 East, Lea County, New Mexico, in such a manner as to permit the production of gas from an undesignated Wolfcamp gas pool and gas from an undesignated Morrow gas pool through parallel strings of tubing.

CASE 3709: (Reopened)

In the matter of Case No. 3709 being reopened pursuant to the provisions of Order No. R-3366, which order established 80-acre spacing units for the Akah Nez-Devonian Oil Pool, San Juan County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 4017: Application of Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying Section 8, Township 21 South, Range 24 East, North Indian Hills-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled in the SE/4 of said Section 8. 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 4018: Application of Solar Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause seeks approval for the dual completion (conventional) of its Fanning "B" Well No. 1 located in Unit A of Section 33, Township 23 South, Range 37 East, Lea County, New Mexico, to produce oil from the Teague-Blinebry and underlying Teague-Drinkard Pools through parallel strings of tubing.

aminer Hearing - January 8, 1969

Docket No. 1-69

CASE 4019: Application of Sinclair Oil Corporation for salt water injection, Lea County, New Mexico. Applicant, in the above styled cause, seeks authority to inject produced salt water into the Yates formation in the perforated interval from approximately 3860 feet to 4050 feet in its Mescalero Ridge Unit Well No. 2 located in Unit B of Section 28, Township 19 South, Range 34 East, Quail Ridge-Yates Pool, Lea County, New Mexico.

CASE 4020: Application of Burk Royalty 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 Yates formation in the perforated interval from 3564 to 3585 feet in its Hanson "C" Well No. 4 located in Unit K of Section 23, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.

CASE 4015: (Continued from December 27, 1968, Examiner Hearing)

Application of Wilson Oil 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 Yates-Seven Rivers formations, Wilson Yates-Seven Rivers Pool, Lea County, New Mexico, through the following six wells:

TOWNSHIP 21 SOUTH, RANGE 34 EAST

Wilson State Well No. 9 located in Unit F of Section 13;

Shell State Well No. 13 located in Unit H of Section 13;

Wilson State Well No. 8 located in Unit O of Section 13;

Wilson State Well No. 20 located in Unit B of Section 23;

Wilson State Well No. 21 located in Unit J of Section 23;

TOWNSHIP 21 SOUTH, RANGE 35 EAST

Wilson State Well No. 1-A located in Unit G of Section 7;

Applicant further seeks an administrative procedure whereby other wells in said pool may be approved for disposal purposes without the requirement of notice and hearing.

CASE 4010: (Continued from December 27, 1968, Examiner Hearing)

Application of John H. Trigg for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg-San Andres formations through his Empire "J" Federal Well No. 1 located in Unit P of Section 1, Township 18 South, Range 26 East, Red Lake Grayburg-San Andres Pool, Eddy County, New Mexico.

CASE 4013: (Continued from December 27, 1968, Examiner Hearing)

Application of Redfern Development Corporation and Wil-Mc Oil Corporation for salt water disposal, Lea County, New Mexico. Applicants, in the above-styled cause, seek authority to dispose of produced salt water into the San Andres formation in the interval from approximately 4042 feet to 4179 feet in the Wil-Mc State "K" Well No. 1, located in Unit O of Section 11, Township 10 South, Range 32 East, Mescalero-San Andres Pool, Lea County, New Mexico. (The above perforated interval is in lieu of the originally advertised interval from 4200 feet to 4300 feet.)

*daily  
rate of oil  
prod prior  
to conversion*

*prod about  
1000 BOPD  
mostly into #20*

*water will be  
treated w/ chemis  
Cals & occasional  
acid  
stick*

WILSON OIL COMPANY  
PROPOSED DISPOSAL WELL DATA

LEASE	WELL	LOCATION	CASING	TOP PAY	TOTAL DEPTH
Wilson	4-5 State #9	F 13-21-34	7" 3601' ✓	3710'	3781' ✓
Wilson	4-5 State #8	O 13-21-34	7" 3442' ✓	3752'	3775' ✓
Wilson	State #20	B 23-21-34	7" 3720' ✓	3854'	3965' ✓
Wilson	5-5.5 State #21	J 23-21-34	7" 3602' ✓	3700'	3748.5' ✓
Shell	State #13	H 13-21-34	5½" 3930'	3748' (Perf 3778' - 3797')	4139'
Wilson	4-4.5 State #1-A	G 7-21-35	5½" 3822' ✓	3830'	3846' ✓

N.R.L. 1-3-69

*these two are  
more prod than  
the others  
to convert them  
to oil*

*are you back right  
then it is*

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
EXHIBIT NO. 2  
CASE NO. 7115

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. 4015

Order No. R-3657

APPLICATION OF WILSON OIL COMPANY  
FOR 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 January 8, 1969,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this \_\_\_\_\_ day of January, 1969, 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, Wilson Oil Company, is the owner  
and operator of the following wells in the Wilson Yates-Seven  
Rivers Pool, Lea County, New Mexico:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM

Wilson State Well No. 9 located in Unit F of Section 13;  
Shell State Well No. 13 located in Unit H of Section 13;  
Wilson State Well No. 8 located in Unit O of Section 13;  
Wilson State Well No. 20 located in Unit B of Section 23;  
Wilson State Well No. 21 located in Unit J of Section 23;

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Wilson State Well No. 1-A located in Unit G of Section 7.

(3) That the applicant proposes to utilize said wells to  
dispose of produced salt water into the Yates and Seven Rivers  
formations, with injection into the intervals as follows:



The open-hole interval from approximately 3601 feet to 3781 feet in the Wilson State Well No. 9;

The perforated and open-hole interval from approximately 3778 feet to 4139 feet in the Shell State Well No. 13;

The open-hole interval from approximately 3442 feet to 3775 feet in the Wilson State Well No. 8;

The open-hole interval from approximately 3720 feet to 3965 feet in the Wilson State Well No. 20;

The open-hole interval from approximately 3602 feet to 3749 feet in the Wilson State Well No. 21; and

The open-hole interval from approximately 3822 feet to 3846 feet in the Wilson State Well No. 1-A.

(4) That the injection should be accomplished through:

\_\_\_\_\_-inch plastic-lined tubing installed in a packer set at approximately \_\_\_\_\_ feet in the Wilson State Well No. 9;

\_\_\_\_\_-inch plastic-lined tubing installed in a packer set at approximately \_\_\_\_\_ feet in the Shell State Well No. 13;

\_\_\_\_\_-inch plastic-lined tubing installed in a packer set at approximately \_\_\_\_\_ feet in the Wilson State Well No. 8;

\_\_\_\_\_-inch plastic-lined tubing installed in a packer set at approximately \_\_\_\_\_ feet in the Wilson State Well No. 20;

\_\_\_\_\_-inch plastic-lined tubing installed in a packer set at approximately \_\_\_\_\_ feet in the Wilson State Well No. 21; and

(5) That injection into, through the above described wells, should be made at the rate of \_\_\_\_\_ barrels per day, the said injection to be continued until the present maximum.

\_\_\_\_\_-inch plastic-lined tubing installed in  
a packer set at approximately \_\_\_\_\_ feet in the  
Wilson State Well No. 1-A;

and that the casing-tubing annulus of each well should be filled  
with an inert fluid; and that a pressure gauge should be attached  
to the annulus of each well at the surface in order to determine  
leakage in the casing, tubing, or packer.

(5) That approval of the subject application will prevent  
the drilling of unnecessary wells and otherwise prevent waste  
and protect correlative rights.

(6) That the applicant further seeks the establishment of  
an administrative procedure whereby additional wells in the  
Wilson Yates-Seven Rivers Pool could be placed on salt water  
disposal.

(7) That an administrative procedure should be established  
for the approval of additional salt water disposal wells in the  
Wilson Yates-Seven Rivers Pool, provided that such additional  
salt water disposal wells are completed in a manner similar to  
the subject wells.

IT IS THEREFORE ORDERED:

(1) That the applicant, Wilson Oil Company, is hereby  
authorized to utilize its following-described wells in the Wilson  
Yates-Seven Rivers Pool, Lea County, New Mexico, to dispose of  
produced salt water into the Yates and Seven Rivers formations,  
with injection to be accomplished as follows:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM

Wilson State Well No. 9 located in Unit F of Section 13,  
injection to be accomplished <sup>down the casing,</sup> through \_\_\_\_\_-inch tubing,  
installed in a packer set at approximately \_\_\_\_\_ feet,  
with injection into the <sup>Open Hole</sup> interval from  
approximately 360 feet to 375 feet;

Shell State Well No. 13 located in Unit H of Section 13,  
injection to be accomplished <sup>down the casing,</sup> through ~~\_\_\_\_\_~~-inch tubing  
~~installed in a packer set at approximately \_\_\_\_\_ feet,~~  
with injection into the <sup>perforated and open-hole</sup> interval from  
approximately 3778 feet to 4139 feet;

Wilson State Well No. 8 located in Unit O of Section 13,  
injection to be accomplished <sup>down the casing,</sup> through ~~\_\_\_\_\_~~-inch tubing  
~~installed in a packer set at approximately \_\_\_\_\_ feet,~~  
with injection into the <sup>open-hole</sup> interval from  
approximately 3442 feet to 3725 feet;

Wilson State Well No. 20 located in Unit B of Section 23,  
injection to be accomplished <sup>down the casing,</sup> through ~~\_\_\_\_\_~~-inch tubing  
~~installed in a packer set at approximately \_\_\_\_\_ feet,~~  
with injection into the <sup>open-hole</sup> interval from  
approximately 3720 feet to 3965 feet;

Wilson State Well No. 21 located in Unit J of Section 23,  
injection to be accomplished <sup>down the casing,</sup> through ~~\_\_\_\_\_~~-inch tubing  
~~installed in a packer set at approximately \_\_\_\_\_ feet,~~  
with injection into the <sup>open-hole</sup> interval from  
approximately 3602 feet to 3749 feet;

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Wilson State Well No. 1-A located in Unit G of Section 7,  
injection to be accomplished <sup>down the casing,</sup> through ~~\_\_\_\_\_~~-inch tubing.  
~~installed in a packer set at approximately \_\_\_\_\_ feet,~~  
with injection into the <sup>open-hole</sup> interval from  
approximately 3141 feet to 3246 feet;

PROVIDED HOWEVER, that in each well the tubing shall be  
plastic-lined; 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.

*That the tubing be plastic lined and the casing-tubing annulus be filled with an inert fluid to prevent leakage.*

(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 as an exception to Rule 701 of the Commission Rules and Regulations, the Secretary-Director is hereby authorized to approve additional salt water disposal wells in the Wilson Yates-Seven Rivers Pool when an application for such authority has been filed ~~in accordance with the requirements of Rules 701-B and 701-C of the Commission Rules and Regulations~~ and the Secretary-Director determines that approval of the application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights;

PROVIDED HOWEVER, that any such additional salt water disposal well shall be completed in a manner similar to the subject wells, and provided further, that such disposal shall be into the Yates and Seven Rivers formations ~~below the oil-water contact.~~

(4) 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.