

CASE 4055: Application of ALBERT
GACKLE FOR SALT WATER DISPOSAL,
LEA COUNTY, NEW MEXICO.

Case Number

4055

Application
Transcripts.

Small Exhibits

ETC.

dearnley-meier reporting service, inc.

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

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



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

February 26, 1969

EXAMINER HEARING

IN THE MATTER OF:)

Application of Albert)
Gackle for salt water)
disposal, Lea County,)
New Mexico.)

Case No. 4055

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 4055.

MR. HATCH: Case 4055, application of Albert Gackle for salt water disposal, Lea County, New Mexico.

MR. KELLAHIN: Jason Kellahin, Kellahin and Fox, appearing for the applicant. We have one witness I would like to have sworn.

(Witness sworn.)

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

ALBERT GACKLE

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q State your name, please.

A Albert Gackle.

Q Are you the applicant in Case 4055?

A Yes, sir.

Q Mr. Gackle, have you ever testified before the Oil Conservation Commission?

A It's been a long time ago, one time.

Q For the benefit of the Examiner, would you briefly outline your background in the oil business, your experience?

A I have been in it 40-some years, and have been operating production in Lea County for 20-some years, and have a number of major companies participating in some of the operations, and I never have had any trouble with any of them. I never had any trouble with the Oil and Gas Commission, or the Tax Commission.

Q Do you handle your own engineering work?

A No, sir, I don't.

Q But you do plan your operations, in carrying them out?

A Yes.

MR. KELLAHIN: Are the witness's qualifications acceptable?

MR. UTZ: Yes, they are.

Q Are you familiar with the application in Case 4055, involving the George Etz Well?

A Yes, sir.

Q What are you proposing in this application?

A Well, I am proposing to make a salt water disposal out of it. This well was drilled in '49, and tested oil through the Seven Rivers and the Yates, and the Reef, and we didn't core, or we didn't run any logs. We drilled some tests which were very successful at that time in completing

our other two wells on the lease. And we had nothing but water in this, so we plugged and abandoned the well.

Q Has this well ever produced from the Seven Rivers Formation?

A No.

Q Now, the open-hole interval, as I understand it, is 3,290 feet to 3,620 feet, is that all in the Seven Rivers?

A Yes. Well, the Seven Rivers and the Yates.

Q It also includes the Yates?

A Well, the open-hole that is in the well now is from 1,235 feet to 3,620. We are proposing to go into this, we have eight and five eighths-inch casing set at 1,235 feet, and cemented to the top, which leaves our hole in good shape to go into the bottom and set another string of pipe.

Q Referring to Exhibit 1, would you identify that exhibit?

A It is a map of the area showing the formations the wells are producing from in an area of approximately a mile or two around it.

Q Are those all Jalmat wells?

A No, there are a number of Queen wells in that area.

Q Where is your closest Jalmat well?

A The closest Jalmat well, the two wells on the lease

is a Jalmat, they are both Jalmat wells.

Q And the subject well is marked in red, is it not?

A Right.

Q Now, directing your attention to what has been marked as Exhibit Number 2, the three-page exhibit, would you identify that?

A This is a plat of what we intend to do there.

Q The diagrammatic sketch is the third page of the exhibit, is that correct?

A Right.

Q Does that show the cementing on the casing, Mr. Gackle?

A Yes.

Q And you say the eight and five eighths-inch, the cement is circulated?

A Circulated, yes.

Q Now, about the other string, production string?

A Well, it will be --

Q That hasn't been?

A That hasn't been set. That is what we propose to do.

Q How will you cement it?

A Cement it up into the eight and five eighths.

Q Your open hole goes to --

A The open hole will be approximately 3,300 to a total depth of 3,620. We intend to leave the Seven Rivers open, and shut off the Yates. We intend to run a log and find where the Yates is in this, since we do not have a log.

Q Will you supply the Commission with a copy of that log?

A Yes, sir.

Q Do you have -- what is the source of the water you propose to dispose of in this well?

A It is Well Nos. 1 and 2 on this lease, which is about 800 barrels per day that we intend to put in this.

Q Do you have an analysis of that water?

A We are getting it right now.

Q Will you supply the Commission with a copy of that?

A I will. It will be here either this afternoon or in the morning.

Q On the well completion, would you inject your water through tubing and under a packer?

A Through tubing, under a packer, and the tubing will be plastic-lined.

Q Will you fill the casing tubing annulus with an inert fluid?

A Yes, if the Commission wants it, yes.

Q And place a pressure gauge at the surface?

A Right.

Q There is no reason you can't do that in this well, is there?

A No, not that I know of. There is no reason why we shouldn't be able to do it. We have never run into anything like this, only once in a while --

Q Were Exhibits 1 and 2 prepared by you or under your supervision?

A Was prepared by me -- not by me, but it was prepared off of my records which I supplied.

MR. KELLAHIN: I would like to at this time offer in evidence Exhibits 1 and 2.

MR. UTZ: Without objection, Exhibits 1 and 2 will be entered into the record of this case.

(Whereupon, Applicant's Exhibits Numbers 1 and 2 were admitted into evidence.)

MR. KELLAHIN: That is all I have.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Gackle, will the five-inch casing be set below the Yates?

A Right, it will be set below the Yates.

Q You are going to run a log first and determine where that is?

A Yes, before we set our casing.

Q So the injection interval may be different than 3,290 to 3,620?

A It could be, right. But the log will determine that, of course, and we will also probably put some gravel or something in there to keep our cement off of the interval that will take water, to be sure to keep it clean.

Q At any rate, all of your injection will be in the Seven Rivers?

A Right.

MR. HATCH: Excuse me, you are not planning on going below 3,620?

THE WITNESS: No.

Q (By Mr. Utz) How much water do these two wells produce at this time?

A Probably between 800 and 1,000 barrels a day.

Q Has there been any other injection into the Seven Rivers in this area?

A Yes, sir, the Continental is using it in their Lynn A Well No. 5, which is approximately a mile north of this. That

is an injection well right now.

MR. KELLAHIN: Section 28, isn't it?

THE WITNESS: Yes, Section 28, northwest quarter of Section 28, which is a dual completed well in the Yates, and they are injecting water into the Seven Rivers in that well. Argus Production has had approval to use one of their wells, I don't remember which one, which would be a west offset to the well that I have here.

Q That well is in the northeast quarter, is it not?

A How is that?

Q The Continental injection well?

A Right, northeast quarter.

Q I believe you said northwest.

A Oh, I'm sorry. I meant northeast.

MR. UTZ: Any other questions of the witness? You may be excused. Any statements?

The case will be taken under advisement.

I N D E X

<u>WITNESS</u>	<u>PAGE</u>
ALBERT GACKLE	
Direct Examination by Mr. Kellahin	2
Cross Examination by Mr. Utz	7

<u>EXHIBITS</u>	<u>MARKED</u>	<u>OFFERED AND ADMITTED</u>
Applicant's Exhibits Numbers 1 and 2	2	7

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 complete record of the proceedings in
 the hearing held on Case No. 4055
 heard on July 26, 1969.

Thos. J. [Signature]
 New Mexico Oil Conservation Commission

Oil Reports and Gas Services

P. O. BOX 763
HOBBS, NEW MEXICO

W. L. SMITH, OWNER

January 24, 1969

EX 3-2727

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

Gentlemen:

In accordance with Rule 1203 application is hereby made on behalf of Albert Gackle, Operator for an Examiner Hearing before the Oil Conservation Commission for the purpose of presenting evidence to obtain Commission approval to dispose of produced oil field brine by injection into the Seven Rivers Reef formation.

Applicant proposes to re-enter the Albert Gackle, Operator - George Etz No. 3, located 330 feet from the South line and 1650 feet from the West line of Section 27, Township 23 South, Range 36 East Jalmat Pool, Lea County, New Mexico.

Subject well was drilled to a total depth of 3620 feet and plugged for abandonment June 29, 1949 with 8 5/8" surface casing set at 1235 feet circulated to surface with 600 sacks cement. The hole will be cleaned out to total depth and 5" OD streamline casing set at approximately 3290 feet with sufficient cement to circulate back inside 8 5/8" surface casing. Injection of treated salt water to be through 2 7/8" tubing below Baker Model "AD" packer set at approximately 3280 into open hole interval 3290 to 3620 feet.

Interested parties who have this day been furnished a copy of this application:

Argus Production Company
3313 Republic Bank Bldg.
Dallas, Texas

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico

Mrs. Frances H. Randolph
Jal, New Mexico

Shell Oil Company
P. O. Box 1509
Midland, Texas

Skelly Oil Company
P. O. Box 1727
Midland, Texas

Yours very truly,

OIL REPORTS AND GAS SERVICES

BEFORE EXAMINER UTZ

OIL CONSERVATION COMMISSION

Gackle EXHIBIT NO. 2

CASE NO. 4055

W. L. Smith
W. L. Smith

Agent, Albert Gackle, Operator

DH/kh



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87801

GOVERNOR
DAVID F. CARGO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

March 4, 1969

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

Re: Case No. 4055 & 4056
Order No. R-3690 - R-3691
Applicant:
Albert Gackle

Dear Sir:

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

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC 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. 4055
Order No. R-3690

APPLICATION OF ALBERT GACKLE
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 February 26, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of March, 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, Albert Gackle, is the owner and operator of the George Etz Well No. 3, located in Unit N of Section 27, Township 23 South, Range 36 East, NMPM, Jalmat Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Seven Rivers formation, with injection into the open-hole interval from approximately 3290 feet to 3620 feet.

(4) That the injection should be accomplished through 2 7/8-inch plastic-lined tubing installed in a packer set at approximately 3280 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should

-2-

CASE No. 4055
Order No. R-3690

be attached to the annulus 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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Albert Gackla, is hereby authorized to utilize his George Ets Well No. 3, located in Unit N of Section 27, Township 23 South, Range 36 East, NMPM, Jalmat Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 3280 feet, with injection into the open-hole interval from approximately 3290 feet to 3620 feet;

PROVIDED HOWEVER, that 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.

(2) That the applicant shall submit monthly reports of his 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


DAVID F. CARGO, Chairman

ALEX J. ARMILLO, Member

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

esr/

Case 4055

Recd 2-26-69

Rec. 2-27-69.

Grant Albert Gackle permission
to convert his Geo. Ely #3
330/S, 1650/W 27-235-36 E to a SWD
well in Jalmat pool. Direction
shall be thru 27" plastic coated
tubing and make a packer set
at approx. 3280' + into open hole
of the Green River fm. from 3290
to 3620. The annulus shall be
filled with inert fluid w/
pressure gauge at surface.

Thos. V. [Signature]

Same well reported to
gas on 4/45 [Signature]

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 26, 1969

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 4052: Application of Mobil Oil Corporation for a pool creation and discovery allowable, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the Lightcap-Pennsylvanian Pool in Chaves County, New Mexico, comprising the NE/4 NE/4 of Section 7, Township 8 South, Range 30 East, and for the assignment of approximately 35,650 barrels of oil discovery allowable to the discovery well, its C. L. O'Brien Well No. 1 located in Unit A of said Section 7.
- CASE 4036: (Continued from the February 5, 1969, Examiner Hearing)
Application of Mobil Oil Corporation for a dual completion, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its C. L. O'Brien Well No. 1 located in Unit A of Section 7, Township 8 South, Range 30 East, Chaves County, New Mexico, to produce oil from an undesignated Pennsylvanian oil pool and the Lightcap (Devonian) Pool through parallel strings of tubing.
- CASE 4053: Application of El Paso Products Company for special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the Gallegos-Gallup Pool, San Juan County, New Mexico, including provisions for the classification of oil and gas wells, 80-acre spacing for oil wells, and 320-acre spacing for gas wells.
- CASE 4054: Application of Amerada Petroleum Corporation for an unorthodox oil well location and amendment to Order No. R-2197, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a producing oil well at an unorthodox location 1250 feet from the West line and 2220 feet from the South line of Section 28, Township 24 South, Range 37 East, in its Langlie Mattix Woolwoyth Unit Waterflood Project, Langlie-Mattix Pool, Lea County, New Mexico. Applicant also seeks the amendment of Order No. R-2197, which order authorized said waterflood project, to establish an administrative procedure whereby said project could be expanded to include additional lands and injection wells and producing wells at orthodox and unorthodox locations as may be necessary to complete an efficient injection and producing pattern without the necessity of showing well response.

- CASE 4055: Application of Albert Gackle for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Seven Rivers formation in the open-hole interval from approximately 3290 feet to 3620 feet in his George Etz Well No. 3 located in Unit N of Section 27, Township 23 South, Range 36 East, Jalmat Pool, Lea County, New Mexico.
- CASE 4056: Application of Albert Gackle 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 Queen formation in the perforated interval from approximately 3642 feet to 3699 feet in his Sinclair "A" State Well No. 5 located in Unit I of Section 23, Township 23 South, Range 36 East, Langlie-Mattix Pool, Lea County, New Mexico.
- CASE 4057: Application of Charles B. Read for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the Quail-Queen Pool, Lea County, New Mexico, including a provision for 80-acre spacing and proration units.
- CASE 4058: Application of Hiram W. Keith and Dalton Haines for salt water disposal, Lea County, New Mexico. Applicants, in the above-styled cause, seek authority to dispose of produced salt water into the Seven Rivers formation in the open-hole interval from approximately 3874 feet to 3951 feet in their State Well No. 2 located in Unit K of Section 16, Township 21 South, Range 34 East, West Wilson Pool, Lea County, New Mexico.
- CASE 4059: Application of Hiram W. Keith and Dalton Haines for salt water disposal, Eddy County, New Mexico. Applicants, in the above-styled cause, seek authority to dispose of produced salt water into the Delaware formation in the open-hole interval from approximately 4030 feet to 4158 feet in their Eddy "AGA" State Well No. 2 located 660 feet from the North line and 1650 feet from the West line of Section 36, Township 26 South, Range 31 East, North Mason-Delaware Pool, Eddy County, New Mexico.
- CASE 4060: Application of Sidney Lanier 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 in the open-hole interval from approximately 3402 feet to 3650 feet in his I. B. Ogg "A" Well No. 5 located in Unit J of Section 35, Township 24 South,

(Case 4060 continued)

Range 36 East, Jalmat Yates-Seven Rivers Pool, Lea County, New Mexico.

CASE 4061: Application of Millard Deck 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 Seven Rivers and Queen formations in the open-hole interval from approximately 3752 feet to 3872 feet in its Atha Well No. 1 located in Unit M of Section 31, Township 21 South, Range 36 East, South Eunice Pool, Lea County, New Mexico.

CASE 4062: Application of Kersey & Company for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Queen formation in the perforated interval from approximately 1835 feet to 1870 feet in the Bass Well No. 3 located in Unit F of Section 12, Township 19 South, Range 28 East, East Millman Queen-Grayburg Pool, Eddy County, New Mexico.

CASE 4063: Application of Kerr-McGee Corporation for the creation of a new gas pool and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of gas from the Morrow formation by its Nix Well No. 1 located in Unit L of Section 11, Township 19 South, Range 26 East, Eddy County, New Mexico, and for the promulgation of special pool rules therefor, including a provision for 640-acre spacing.

CASE 4064: Application of Atlantic Richfield Company for salt water disposal, Roosevelt 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 4207 feet to 4286 feet in its Tucker Well No. 4 located in Unit O of Section 23, Township 7 South, Range 32 East, Chaveroo-San Andres Pool, Roosevelt County, New Mexico.

CASE 4065: Application of Humble Oil & Refining Company for an unorthodox oil well location and reclassification of a water well to an oil well, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to have its New Mexico State "S" Water Source Well No. 4 (CP-427), located at an unorthodox oil well location 650 feet from the West line and 175 feet from the

South line of Section 2, Township 22 South, Range 37 East, Lea County, New Mexico, reclassified as an oil well for the production of oil an undesignated San Andres Oil Pool and authority to produce same as an oil well.

CASE 4066: Application of Humble Oil & Refining Company for the consolidation of two non-standard gas proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the consolidation of two existing non-standard 320-acre gas proration units into one standard 640-acre unit comprising all of Section 26, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to its New Mexico State "G" Wells Nos. 2 and 4 located in Units P and G, respectively, of said Section 26. Applicant further seeks authority to produce the allowable assigned to said unit from either of said wells in any proportion.

CASE 4067: Application of Benson-Montin-Greer Drilling Corporation for special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the La Plata-Gallup Pool, San Juan County, New Mexico, including a provision for 160-acre spacing and proration units. Applicant further requests that said special rules provide that the unit allowable for a 160-acre unit in said pool be allocated on the basis of four times the normal unit allowable for Northwest New Mexico, and that no credit be given for depth factors. Applicant further requests that said special rules be limited in their application to the exterior boundaries of the La Plata-Mancos Unit Area.

CASE 4068: Application of Martin Yates III for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in its Yates & Hanson McCord Well No. 1 located in Unit E of Section 22, Township 23 South, Range 26 East, Dark Canyon Field, Eddy County, New Mexico. Applicant further seeks a procedure whereby its Cordie King Well No. 2 located in Unit K of said Section 22 may be approved for the disposal of salt water without the requirement of notice and hearing.

Examiner Hearing
February 26, 1969

- CASE 4045: (Continued from the February 5, 1969 Examiner Hearing)
Application of H & S Oil Company for an amendment to Order No. R-3357, as amended by Order No. R-3357-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-3357, as amended by Order No. R-3357-A, which order authorized the H & S West Artesia Unit Unit Waterflood Project. Applicant proposes to substitute the Roach Drilling Company-Leonard Well No. 18 located in Unit D of Section 17 as a water injection well in said project in lieu of the Cities Service-Mell Well No. 17 located in Unit M of Section 8, both in Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico.
- CASE 4069: Application of Union Oil Company of California for the creation of a new pool, assignment of discovery allowable, and the promulgation of special pool rules, Lea County, New Mexico.
- Applicant, in the above-styled cause, seeks the creation of a new Devonian oil pool for its Midway State Well No. 1 located in Unit F of Section 12, Township 17 South, Range 36 East, Lea County, New Mexico, and for the assignment of an oil discovery allowable in the amount of approximately 57,380 barrels to said well. Applicant further seeks the promulgation of special pool rules for said pool, including a provision for 80-acre proration units.
- CASE 4070: Application of C. E. LaRue and B. N. Muncy, Jr., for salt water disposal, Lea County, New Mexico. Applicants, in the above-styled cause, seek authority to dispose of produced salt water into the salt and Yates formations in the open-hole interval from approximately 1254 feet to 3000 feet in the La Rue-Muncy John "B" Well No. 2 located in Unit A of Section 35, Township 17, South, Range 32, East, Maljamar Grayburg-San Andres Pool, Lea County, New Mexico.

Oil Reports and Gas Services

P. O. BOX 763
HOBBS, NEW MEXICO

January 24, 1969

W. L. SMITH, OWNER

EX 3-2727

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

Case 4055

Gentlemen:

In accordance with Rule 1203 application is hereby made on behalf of Albert Gackle, Operator for an Examiner Hearing before the Oil Conservation Commission for the purpose of presenting evidence to obtain Commission approval to dispose of produced oil field brine by injection into the Seven Rivers Reef formation.

Applicant proposes to re-enter the Albert Gackle, Operator - George Etz No. 3, located 330 feet from the South line and 1650 feet from the West line of Section 27, Township 23 South, Range 36 East Jalmat Pool, Lea County, New Mexico.

Subject well was drilled to a total depth of 3620 feet and plugged for abandonment June 29, 1949 with 8 5/8" surface casing set at 1235 feet circulated to surface with 600 sacks cement. The hole will be cleaned out to total depth and 5" OD streamline casing set at approximately 3290 feet with sufficient cement to circulate back inside 8 5/8" surface casing. Injection of treated salt water to be through 2 7/8" tubing below Baker Model "AD" packer set at approximately 3280 into open hole interval 3290 to 3620 feet.

Interested parties who have this day been furnished a copy of this application:

Argus Production Company
3313 Republic Bank Bldg.
Dallas, Texas

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico

Mrs. Frances H. Randolph
Jal, New Mexico

Shell Oil Company
P. O. Box 1509
Midland, Texas

Skelly Oil Company
P. O. Box 1727
Midland, Texas

Yours very truly,

OIL REPORTS AND GAS SERVICES

W. L. Smith

W. L. Smith
Agent, Albert Gackle, Operator

DH/kh

DOCKET MAILED

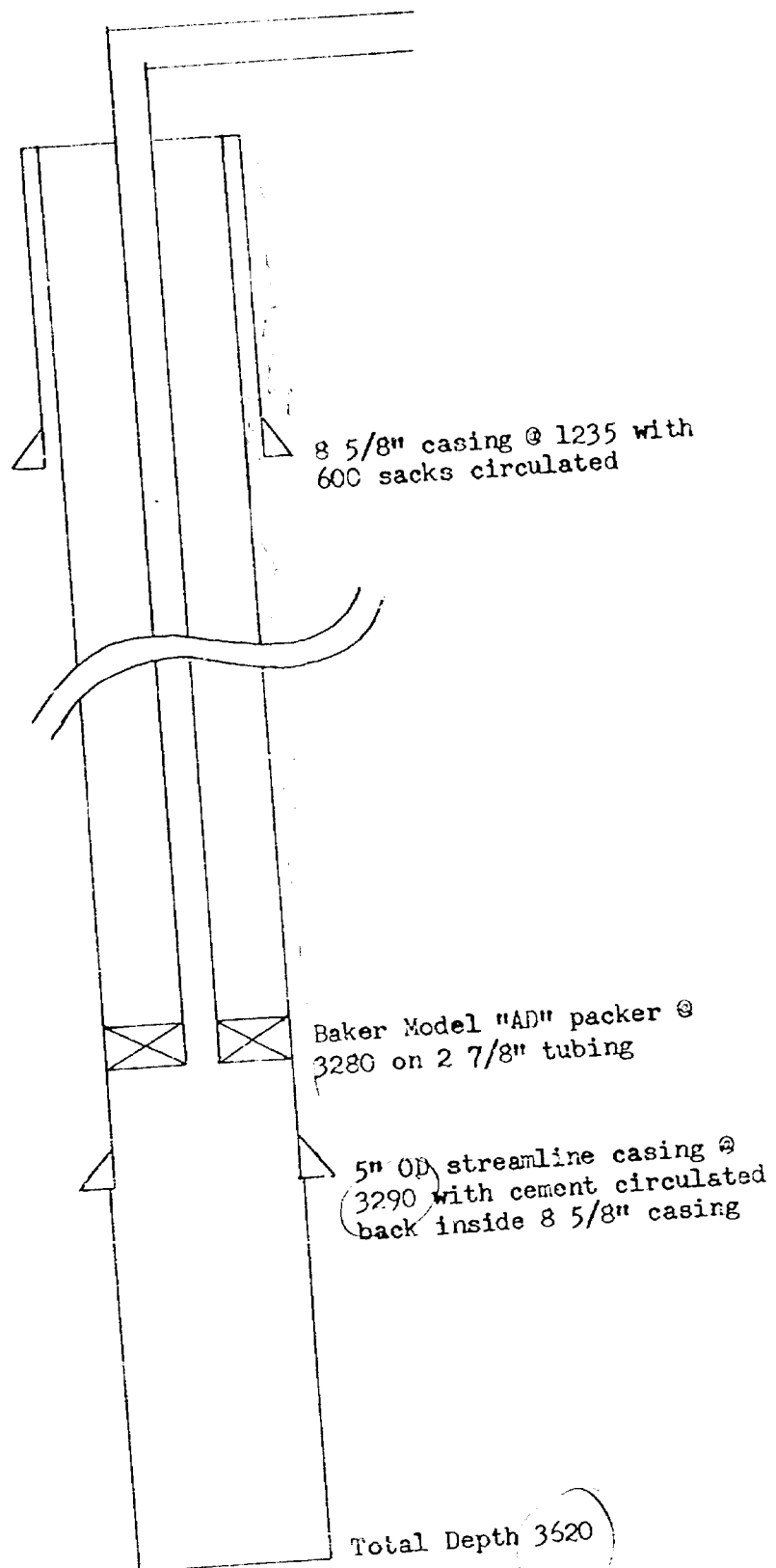
Date 2-13-69



Albert Gackle, Operator
 George Etz, No. 3
 Sec. 27, T23S, R36E
 Lea County, New Mexico

4055
 Case 4055

DIAGRAMMATIC SKETCH
of Proposed Installation of
Water Injection Equipment



Proposed for: Albert Gackle
George Etz No. 3
330' FSL & 1650' FWL
Sec. 27, T23S, R36E
Jalmat Pool
Lea County, New Mexico

4055
Case ~~1445~~

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. 4055

Order No. R- 3690

GMH *AGP*
APPLICATION OF ALBERT GACKLE
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 February 26, 1969,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz

NOW, on this 7th day of February, 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, Albert Gackle,
is the owner and operator of the George Etz Well No. 3
located in Unit N of Section 27, Township 23 South, Range
36 East, NMPM, Jalmat Pool, Lea
County, New Mexico.

(3) That the applicant proposes to utilize said well to
dispose of produced salt water into the Seven Rivers
formation, with injection into the open-hole interval
from approximately 3290 feet to 3620 feet.

(4) That the injection should be accomplished through
2 7/8-inch plastic-lined tubing installed in a packer set at

approximately 3280 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus ~~or the annulus left open~~ 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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Albert Gackle is hereby authorized to utilize ~~his~~ George Etz Well No. 3 located in Unit N of Section 27, Township 23 South, Range 36 East, NMPM, Jalmat Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 3280 feet, with injection into the open-hole interval from approximately 3290 feet to 3620 feet; ✓

PROVIDED HOWEVER, that 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 ~~or the annulus left open~~ at the surface in order to determine leakage in the casing, tubing, or packer.

(2) That the applicant shall submit monthly reports of ~~xxx~~ his 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 hereinafter designated.