CASE 4082: Application of SAM D. ARES FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

- CDC 144m Der

408

Application Transcripts.

Small Exhibits

BEFORE THE

NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

March 26, 1969

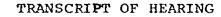
EXAMINER HEARING

IN THE MATTER OF:

Application of Sam D. Ares for salt water disposal. Lea County. disposal, Lea County, New Mexico.

Case No. 4082

BEFORE: Elvis A. Utz, Examiner





MR. UTZ: Case No. 4082.

MR. HATCH: Case 4082, application of Sam D. Ares for salt water disposal, Lea County, New Mexico.

MR. McDERMOTT: W. H. McDermott, appearing for Sam D. Ares in Case No. 4082, and I have one witness.

(Whereupon, Applicant's Exhibits Numbers 1 through 4, inclusive, were marked for identification.)

(Witness sworn.)

JAMES F. O'BRIANT

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

DIRECT EXAMINATION

BY MR. McDERMOTT:

- Q Would you state your name, please?
- A James F. O'Briant.
- Q By whom are you employed?
- A Sam D. Ares.
- Q What is your present occupation?
- A I am a petroleum engineering consultant from Midland, Texas.
 - Q Have you appeared before the Commission before?
 - A Yes, sir.
 - Q Are you familiar with the application of Sam D. Ares

in Case No. 4082?

- A Yes, sir.
- Q Would you explain to the Commission its purpose?
- A Mr. Ares is proposing to convert his Arnott-Ramsey
 No. 3 Well from producing status to water injection status.
- Q And by Exhibit Number 1, does this outline the property within a two-mile radius of the proposed well?
 - A Yes, sir.
 - Q What is the present status of the well to be used?
 - A It is presently producing.
 - Q What is the amount of oil that it is producing?
- A It is producing 99-plus per cent water at the present time, very little oil.
- Q Is Mr. Ares planning to shut this well in at the present time?
 - A Yes.
- Q In what zone do you plan to inject the disposal of water?
 - A Water will be injected into the Seven Rivers section.
- Q Do you have a log of this well to be used as a disposal well?
 - A Yes, sir, it is Exhibit Number 2.
 - Q Would you explain this log to the Commission at

this time?

A It is a gamma ray neutron log, showing the casing point, and the open-hole portion of the well into which water will be injected.

Q How many wells are going to be injecting water into this well?

A At present, there will be three wells supplying water.

Q How much water is produced at the present time from these wells?

A At present, about 200 barrels a day.

Q Will this formation be sufficient to handle this amount of water, or a greater amount of water?

A Yes, it will be sufficient to handle 200 barrels a day, and should handle quite a bit in excess of that.

Q Do you have a diagrammatic sketch of the installation to be used on this well?

A Yes, sir, that is Exhibit Number 3.

Q Would you explain this to the Commission?

A This shows the proposed completion of the water injection well. It also shows the depth to which surface, intermediate, and the long string were set, and the amount of cement used, and the open-hole section from 3,358 to 3,495,

into which water will be injected.

Q Do you have any water analysis pertaining to the water from the wells to be injected into this disposal well?

A Yes, sir, pages one and two of Exhibit No. 4 are analyses of samples of water taken from the two places involved. The other four pages of Exhibit No. 4 show analyses from other wells in the area.

Q What do pages one and two in Exhibit 4, pages one and two, what do they show in regard to the water, as to whether or not it is potable or unpotable water?

A It is unpotable water, slightly saline, with a strong trace of hydrogen sulfide.

Q What size pipe is proposed to be used on this well?

A The tubing will be -- two and seven-eighths inch tubing will be set, two and a half inch ID.

Q And what kind of a method of injection is to be used on this?

A Gravity.

Q Will any fluid be used in the annulus at all?

A Yes, the annulus will be filled with a non-corrosive fluid.

Q Is the tubing to be plastic-lined?

A Yes, sir.

- Q Were these exhibits prepared by you or under your direction?
 - A Yes.
- Q Will the correlative rights of any of the adjoining property owners be affected by this water injection?
 - A No, sir.

MR. McDERMOTT: I have no further questions at this time. I will offer Exhibits 1 through 4 to be admitted.

MR. UTZ: Without objection, Exhibits 1 through 4 will be entered into the record of this case.

(Whereupon, Applicant's Exhibits Numbers 1 through 4, inclusive, were admitted into evidence.)

CROSS EXAMINATION

BY MR. UTZ:

- Q Do you know what is the top of the cement on the nine and five-eighths?
 - A No, I do not.
 - Q Do yoù have any opinion?
- A They used sufficient cement to bring it back up to the thirteen-inch, but I do not know. Mr. Ares purchased these wells from Gulf, and these records are quite poor.
 - Q The same question on the seven-inch.
 - A No, sir, I do not know the top of the cement.

Q Do you have any opinion how much cement there is above your packer?

A Well, let's see, the seven-inch, the base of it is 3,358. The packer will be set at approximately 3,330, which is only 20 feet from the base, so we should have, I guess, 1,000 feet or better above it. It should be a good cement job around the shoe, and some distance above.

Q Now, your tubing was two and a half-inch, is that right?

A It is two and a half ID; two and seven-eighths OD.

Q Do you intend to put a gauge at the surface, or leave it open?

A Either way, sir, whatever the Commission would recommend on that.

MR. UTZ: Any other questions of the witness?

The entire section here that you will dispose of into is Seven Rivers?

THE WITNESS: Yes, sir.

MR. UTZ: The witness may be excused. Any statements in this case?

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WITNESS	PAGE
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Cross Examination by Mr. Utz	6

EXHIBIT <u>S</u>	MARKED	EVIDENCE
Applicant's Exhibits Numbers 1 through 4	2	6

STATE	OF	NEW	MEXICO)	
)	ss.
COUNT	OF	BEI	RNALILLO	}	

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.

I do hereby certify that the foregoing is a ecoplete record of the proceedings in the Examiner bearing of Case to 40 FZ.



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501 GOVERNOR
DAVID F. CARGO
CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

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

April 1, 1969

Mr. W. H. McDermott Attorney at Law Lincoln Building Post Office Box 1143 Santa Fe, New Mexico	Re: Case No. 4082 Order No. R-3717 Applicant; Sam D. Ares
Dear Sir:	
Enclosed herewith are two copies sion order recently entered in	es of the above-referenced Commis- the subject case.
G	L. PORTER, Jr. Secretary-Director
ALP/ir	
·	
Copy of order also sent to:	
Hobbs OCC X	
Artesia OCCAztec OCC	
Other State Engineer Of	fice

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. 4082 Order No. R-3717

APPLICATION OF SAM D. ARES 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 March 26, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this lst day of April, 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, Sam D. Ares, is the owner and operator of the Arnott Ramsey "A" Well No. 3, located 660 feet from the North line and 660 feet from the West line of Section 2, Township 25 South, Range 36 East, NMPM, Jalmat Yates-Seven Rivers 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 3358 feet to 3495 feet.
- (4) That the injection should be accomplished through 2 7/8-inch plastic-lined tubing installed in a packer set at approximately 3330 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should

-2-CASE No. 4082 Order No. R-3717

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, Sam D. Ares, is hereby authorized to utilize his Arnott Ramsey "A" Well No. 3, located 660 feet from the North line and 660 feet from the West line of Section 2, Township 25 South, Range 36 East, NMPM, Jalmat Yates-Seven Rivers 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 3330 feet, with injection into the open-hole interval from approximately 3358 feet to 3495 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 P. CARGO, Chairman

ALEX J. ARMIJO, Member

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

Coce 4082 Legal 3-2669 Rec. 3-26-69 Grant Somo D. Ceres permission to correct her Cernott Ramey A' #3. 0-2-255-365, to con 5 w D soll by injecting them 2'2
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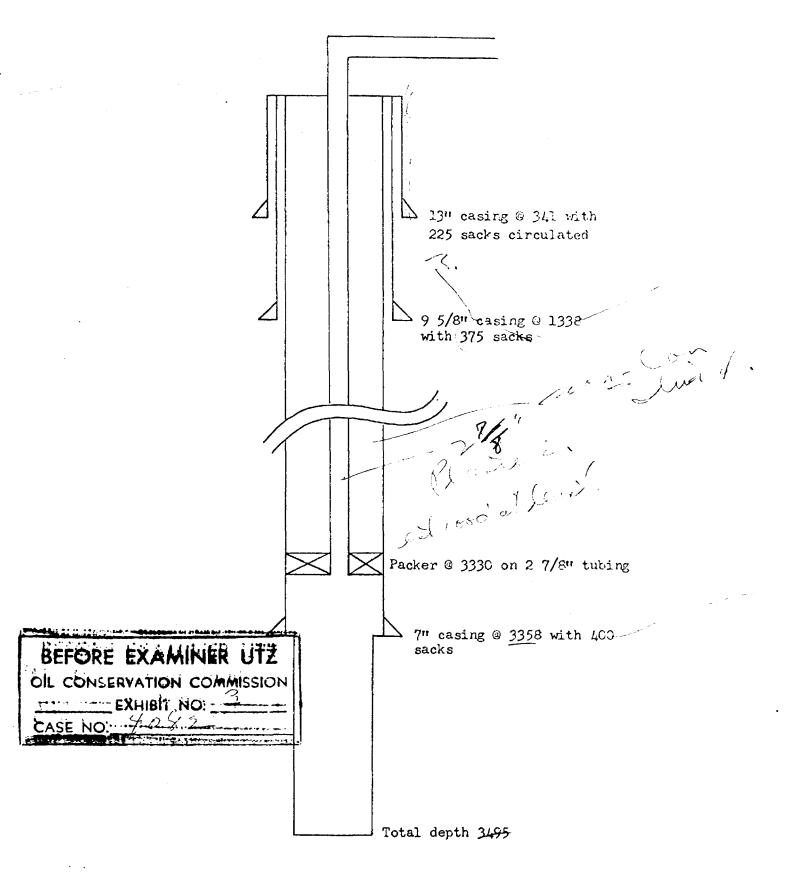
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Ex. #3

DIAGRAMMATIC SKETCH of Proposed Installation of Water Injection Equipment

CASE #4082



Proposed for: Sam D. Ares

Arnott Ramsay "A" No. 3 660' FIL & 660' FWL Sec. 2, T25S, R36E Jalmat Pool

Lea County, New Mexico

SAMPLE NO._____

THE WESTERN COMPANY Service Laboratory.

[=x, #4 (6 pages)

WATER ANALYSIS

•				
Operator .	Sam D. Ares	Date Sampled	11-16-68	
Well	Arnott - Ramsay	Date Received	11-17-68	
Field	Jalmat	Submitted by	Hobbs District	
Formation	Yates - Seven Rivers	Worked by	George Koehl	
Depth	•	Other Description		
County	Lea, New Mexico		·	
	CHE	MICAL DETERMINATIONS		
Density	1.005 @ 71°F	рН	7.0	
Iron	No Trace	Hydrogen Sul	fide Strong Trace	
Sodium and P	otassium1, 268			pp
	304	ppm' Sulfate	200	<u></u> РР
Magnesium	200	ppm Phosphate —		РР
Chloride	1,720	PPm as Sodium Chlorid	de	РР
Remarks:	BEFORE EXA OIL CONSERVATION EXHIBIT	NOISSIMMOD NO.		
for Stiff ty	pe plot (in meq./1.)			
Na & K 100	—50 40 30 20 	10 0 10 20	30 . 40 50— C1	
Ca 10	 	┊ ┼┼┼┼┼┼┼┼┼┼┼┼┼	HCO.	
Mg 10	 	┍╻╎╅╒╒╏ ╾ ┇ ╏┋┇┇╏	50 ₄	
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THE WESTERN COMPANY Service Laboratory

WATER ANALYSIS

Operator	A. L. Ares	Date Sampled	11-16-68	
Well	Cities Service Federal	Date Received	11-17-68	
Field	Jalmat	Submitted by	Hobbs District	•
Formation	Yates - Seven Rivers	Worked by	George Koehl	
Depth	•	Other Description		
County	Lea, New Mexico		·	
	CHE	MICAL DETERMINATIONS		
Density	1.005 @ 71°F	pH	7.3	
	No Trace	*** *	ulfide Very Strong Trace	
Sodium and	Potassium 2,925		1,516	ppm
Calcium	520	_ ppm' . Sulfate —	1,340	ppm
Magnesium .	268	ppm Phosphate -		ppm
Chloride	4,330	PPM as Sodium Chlo	ride ————	ppm
Remarks:				
for Stiff	type plot (in meq./1.)	. .		
Na & 100 Ca 10 Mg	++++++++++++++++++++++++++++++++++++++	+	30 40 50	

THE WESTERN COMPANY Service Laboratory

WATER ANALYSIS

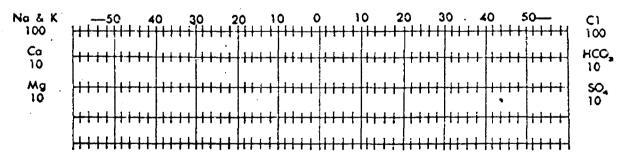
Operator Date Sampled 11-16-68 Sam D. Ares Well Date Received 11-17-68 Everett Field Submitted by Hobbs District Jalmat Formation George Koehl Worked by Yates - Seven Rivers Depth Other Description County Lea, New Mexico

CHEMICAL DETERMINATIONS

Density1_005_@	71 ⁰ F		рн6.7		
Iron No Trace	· .		Hydrogen Sulfide	Very Strong	Trace
Sodium and Potassium	1,560	ppm	Bicarbonate	1 (10	ppm
Calcium	400	ρpm'	Sulfate	720	ppm
Magnesium	238	ppm	Phosphate ————		ppm
Chloride	2,320	ppm_c	ss Sodium Chloride		ppm

Remarks:

for Stiff type plot (in meq./1.)



Per

SAMPLE NO.

CASE # 4082

THE WESTERN COMPANY Service Laboratory

Ex. #4_

WATER ANALYSIS

11-16-68 Date Sampled Sidney Lanier Operator 11-17-68 Date Received Ogg "A" Well Hobbs District Submitted by Jalmat Field George Koehl Worked by Yates - Seven Rivers **Formation** Other Description Depth

Lea, New Mexico

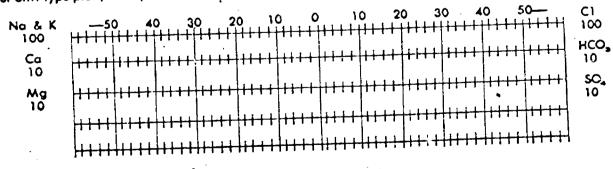
CHEMICAL DETERMINATIONS

			4110 1111 4 11 14 14 14 1	-		
Density	1.010 (@ 70°F	·	рн ———	. 1	
Iron	No Trac			Hydrogen Sulfide -	Very Strong Trace	
	d Potassium	2, 210	ppm	Bicarbonate	1,588	ppm
Calcium	:	585	ppm	Sulfate -	1,300	ppm
Magnesium		277	ppm	Phosphate ———		ppm
Chloride -		3, 370	ppm _	as Sodium Chloride —		ppm
CI1101100 -						

Remarks:

County

for Stiff type plot (in meq./1.)



THE WESTERN COMPANY Service Laboratory

WATER ANALYSIS

11-16-68 Date Sampled Sidney Lanier Operator 11-17-68 Date Received Ogg "B" Well Hobbs District Submitted by Field Jalmat Worked by George Kochl Yates - Seven Rivers **Formation** Other Description Depth

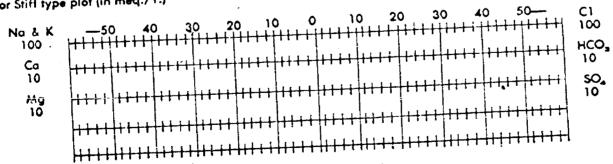
Lea, New Mexico County

CHEMICAL DETERMINATIONS

	0	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	7.0	5	 .
Density	71 F		∵ рН ———	Very Strong Trace	
Iron No Trace)		Hydrogen Sulfide	- 1,780	ppm
Sodium and Potassium	4,490	ppm	Bicarbonate	1,300	ppm
Calcium	640	pʻpm	Sulfate		ppm
Magnesium	121	ppm	Phosphate		ppm
Chloride	6,330	ppm	as Sodium Chloride		

Remarks:

for Stiff type plot (in meq./1.)



٠	SAMPLE	NO.	 	

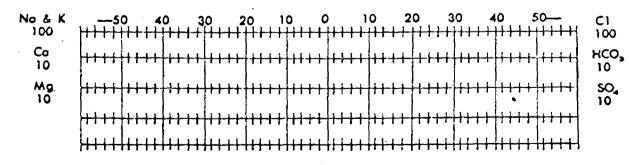
THE WESTERN COMPANY Service Laboratory

WATER ANALYSIS

Operator	perator Sidney Lanier		Dat	e Sampled	11-16-68	
Well	Woolwor	th	Dat	e Received	11-17-68	
Field	ield Jalmat			omitted by	Hobbs District	
Formation	Formation Yates - Seven Rivers		Wo	rked by	George Koehl	
Depth		· •	Oth	er Description		
County	Lea, Ne	w Mexico			·	
•		0	HEMICAL DE	TERMINATIONS		
Density	1.010 @	71 F		рН	7.5	
iron	Very Fa	int Trace		Hydrogen Sulfid	le Very Strong Trace	-
Sodium and P	otassium	1,700	ppm	Bicarbonate —	1,135	ppm
Calcium		632	opm'	Sulfate -	1.980	<u>——</u> ррт
Magnesium		301	ppm	Phosphate		ppm
Chloride		2,480	ppm	s Sodium Chloride		opm
		•			· · · · · ·	

Remarks:

for Stiff type plot (in meq./1.)



Per .

Oil Reports and Gas Services
P. O. BOX 763
HOBBS. NEW MEXICO
March 5, 1969

5 5 5

EX 3-2727

Car 14682

W. L. SMITH, OWNER

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 Sam D. Ares 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 Yates-Seven Rivers formation.

Applicant proposes to inject into open hole formation 3358 to 3495 feet as is now open in the Sam D. Ares - Arnott Ramsay "A" No. 3, located 660 feet from the North line and 660 feet from the West line of Section 2, Township 25 South, Range 36 East, Lea County, New Mexico.

Control of said injection to be obtained by running 2-1/2 inch plastic lined tubing with a packer to be set at 3330 in 7 inch casing.

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

A. L. Ares P. O. Box 75 Santa Fe, New Mexico

Sidney Lanier P. O. Box 3284 Midland, Texas

Continental Oil Company P. O. Box 460 Hobbs, New Mexico Texas Pacific Oil Company P. O. Box 1069 Hobbs, New Mexico

Gulf Oil Corporation P. O. Box 670 Hobbs, New Mexico

Yours very truly,

OIL REPORTS AND GAS SERVICES

Description Hallow

DH/kh

WESTER WELLSD

Valenat yete 1 Penin.

GMH/esr

BEFORE THE CIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEAKING CALLED BY THE DIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

Ang

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CASE No. 4082
Order No. R-37/7

APPLICATION OF SAM D. ARES 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 March 26, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz

NOW, on this day of ______, 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.
- is the owner and operator of the Arnott Ramsey "A" Well No. 3
 660 feet from the North line and 660 feet from the West line located AN EMAN of Section 2 , Township 25 South , Range

 36 East , NMPM, Jalmat Yates-Seven Rivers Pool , Lea

 County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the <u>Yates-Seven Rivers</u>
 formations, with injection into the <u>open-hole</u> interval from approximately 3358 feet to 3495 feet.
- (4) That the injection should be accomplished through

 2 1/8 -inch plastic-lined tubing installed in a packer set at

approximately <u>3330</u> 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:

is hereby authorized to utilize the Arnott Ramsey "A" Well No. 3,
660 feet from the North line and 660 feet from the West line located ym/lmym//// of Section 2, Township 25 South, Range

36 East, NMFM, Jalmat Yates-Seven Rivers Pool, Lea

County, New Mexico, to dispose of produced salt water into the

Yetes-Seven Rivers formations, injection to be accomplished through
2/8 -inch tubing installed in a packer set at approximately

3330 feet, with injection into the open-hole interval

from approximately 3358 feet to 3495 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 **x* 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.