CASE 5953: RICE ENGINEERING & OPER. INC., FOR AMENDMENT OF ORDER NO. R-5384, LEA COUNTY, NEW MEXICO

Inc.

22 mg & mg (

Case Number 5953

Application

Transcripts.

Small Exhibits

	3	
D		
Page		

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico 8 June 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Rice Engineering &)
Operating, Inc., for amendment of) CASE
Order No. R-5384, Lea County, New) 5953
Mexico.

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

APPEARANCES

For the New Mexico Oil

Conservation Commission:

Lynn Teschendorf, Esq.

Legal Counsel for the Commission

State Land Office Building

Santa Fe, New Mexico

sid morrish reporting service

General Cour Reporting Service
825 Calle Meja, No. 122, Santa Fe, New Mexico 87501
Phone (\$05, 982-9212

,

MR. NUTTER: We'll call the next case, Number 5953.

MS. TESCHENDORF: Case Number 5953. Application of Rice Engineering & Operating, Inc., for amendment of Order Number R-5384, Lea County, New Mexico.

MR. NUTTER: The Applicant has requested that the Commission continue this case until June 22nd.

Case Number 5953 will be continued to the Examiner Hearing scheduled to be held at this same place at 9:00 o'clock A. M., June 22.

8id morrish reporting serviceGeneral Court Reporting Service

S Calle Mejia, No. 122, Santa Fe, New Mexico 87

Phone (505) 923-9717

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Certified Shorthand Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

Sally Walton Boyd, C. S. R.

I do hereby certify that the foregoing is a complete record of the proceeding. In the hereby ne on the proceeding of the proceeding of the proceeding of the proceeding of the proceeding. In the hereby ne on the proceeding of the proceeding. In the hereby needed to be a second of the proceeding of the proceeding. In the hereby needed to be a second of the proceeding of the proceeding of the proceeding of the proceeding of the proceeding. In the hereby needed to be a second of the proceeding of

The state of the s

OIL CONSERVATION COMMISSION

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

87501

JOE D. RAMEY

LAND COMMISSIONER

SHIP IN LUCEUP

Other



STATE GEOLOGIST EMERY C. ARNOLD

Mr. Tom Kellahin Kellahin & Fox Attorneys at Law	Re:	5953 CASE NO. R-5384-A ORDER NO.				
Post Offic Box 1769 Santa Fe, New Mexico		Applic	ant:			
		Rice I	Enginee	ring	& Operating,	Inc.
Dear Sir:						
Enclosed herewith are to Commission order recent						
Yours very truly,		3 39	e e			
Director			28 **	. *		
JDR/fd						
Copy of order also sent	to:					
Hobbs OCC x						
Aztec OCC						

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. 5953 Order No. R-5384-A

APPLICATION OF RICE ENGINEERING AND OPERATING, INC., FOR AMENDMENT OF ORDER NO. R-5384, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 22, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 5th day of July, 1977, 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 by Order No. R-5384, dated March 15, 1977, the Commission authorized Rice Engineering and Operating, Inc. to dispose of produced salt water into the San Andres formation through the open-hole interval from approximately 4,176 feet to 5,500 feet in its Hobbs Salt Water Disposal Well No. 16, located in Unit P of Section 16, Township 19 South, Range 38 East, Lea County, New Mexico.
- (3) That the applicant herein, Rice Engineering and Operating, Inc., seeks the amendment of Commission Order No. R-5384 to change the injection interval in said Hobbs Salt Water Disposal Well No. 16 to be from 4,176 feet to 10,008 feet.
- (4) That approval of the subject application will not cause waste or harm correlative rights.

-2-Case No. 5953 Order No. R-5384-A

(5) That the application should be approved.

IT IS THEREFORE ORDERED:

- (1) That Order (1) of Commission Order No. R-5384 is hereby amended to read in its entirety as follows:
 - "(1) That the applicant, Rice Engineering & Operating, Inc., is hereby authorized to utilize its Hobbs SWD Well No. P-16, located in Unit P of Section 16, Township 19 South, Range 38 East, NMPM, Hobbs Field, Lea County, New Mexico, to dispose of produced salt water into all formations from the San Andres to the Devonian, injection to be accomplished through 4 1/2-inch tubing with injection under an oil blanket into the open-hole interval from approximately 4,176 feet to 10,008 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined, and that pressure gauges shall be attached to the tubing and to the casing-tubing annulus in order to determine leakage in the casing or tubing."

(2) 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

PHIL R. LUCERO, Chairpan

EMERY C. ARNOLD, Member

Member & Secretary

SEAL

dr/

	•	
Page		

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
June 22, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Rice Engineering &)
Operating, Inc. for amendment of Order)
No. R-5384, Lea County, New Mexico.)

CASE 5953 (Cont'd.)

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

APPEARANCES

For the New Mexico Oil Conservation Commission:

Lynn Teschendorf, Esq.
Legal Counsel for the Commission

State Land Office Building

Santa Fe, New Mexico

For the Applicant:

W. Thomas Kellahin, Esq.

KELLAHIN & FOX
Attorneys at Law
500 Don Gaspar
Santa Fe, New Mexico

17

.

20

21

22

24

26

INDEX

•	TO TA TO TO	
2		Page
3	LOY COODHEART	;
4	Direct Examination by Mr. Kellahin	3
5	Cross Examination by Mr. Stamets	7
6		:
7		
8		
9	EXHIBIT INDEX	
10	Offered	Admitted
11	Applicant Exhibit One, Form C-108 4	7

SIG MOTTISE REPORTING SERVICE

General Court Reporting Service
5 Calle Mejis, No. 122, Santa Fe, New Mexico 8750;
Phone (505) 982-9212

Applicant Exhibit One, Form C-108

Applicant Exhibit Two, Plat

Applicant Exhibit Three, Schematic

Applicant Exhibit Four, Plat

Applicant Exhibit Five, List

Sid mortish reporting service
Ceneral Court Reporting Service
Calle Mejia, No. 122, Sunta Fe, New Mexico 8750
Phone (505) 982-921

9

10

15

17

18

19

20

21

23

24

MR. STAMETS: The hearing will please come to order.
We will call at this time Case 5953.

MS. TESCHENDORF: Case 5953, application of Rice Engineering & Operating, Inc. for amendment of Order No. R-5354, Lea County, New Mexico.

MR. KELLAHIN: Tom Kellahin, Kellahin & Fox, Santa Fe
New Mexico appearing on behalf of the applicant. I have one
witness to be sworn.

(THEREUPON, the witness was duly sworn.)

LOY GOODHEART

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

- Would you please state your name, by whom you are
 employed and in what capacity?
- A. Loy Coodheart, I'm employed by Rice Engineering & Operating, Incorporated as Division Manager in Hobbs, New Mexico.
- Q. Mr. Goodheart, have you previously testified before the Commission and had your qualifications accepted as an expert?
 - A. Yes, I have and, yes, they have been.

 MR. KELLAHIN: If the Examiner please, are the

25

sid morrish reporting service
General Court Reporting Service
(Calle Mejis, No. 122, Santa Fe, New Mexico 875)
Physics (200, 98-201)

13

15

17

18

19

20

21

22

23

24

25

witness' qualifications acceptable?

MR. STAMETS: They are.

Q (Mr. Kellahin continuing.) Mr. Goodheart, would you refer to what we have submitted as Applicant Exhibit Number One, identify it and some of the background history on this particular well?

- A. Are you talking about the form?
- Q Yes, sir, the C-108.

 $L_{i} = 0$

- A. The C-108 which proposes to change our injection interval in our Hobbs Salt Water Disposal Well No. P-16 located six sixty from the south and six sixty from the east line of Section 16, Township 19 South, 38 East.
- You are now currently operating this well as a salt
 water disposal well, are you not?
- A. The well has been previously completed as a disposal well. In our original application we proposed an injection interval of forty-one seventy-six to fifty-five hundred feet. This is a reentry in an old well which was originally drilled for an oil well test which was a dry hole to the total depth of ten thousand oh oh eight feet in the Devonian. The well was plugged and we reentered the thing under the authority of Order R-5384 dated March 15th, 1977 and at that reentry date we were going to clean out the cement plug which was supposed to be placed at fifty-five hundred feet. We found no cement plug at fifty-five hundred feet. We ran tubing that we had on

11

12

14

17

18

19

20

21

22

23

24

25

location to a depth of sixty-seven hundred and eighty feet.

There was supposedly supposed to be another cement plug at sixty-six hundred feet. We did not find that cement plug so, therefore, this is the purpose of this amended application.

We suspect that perhaps the whole interval is open to ten thousand oh oh eight feet, possibly, and to preclude going in to place cement plugs, we propose to just lengthen the interval over the whole open-hole section from forty-one seventy-six to ten thousand oh oh eight feet.

- Q. Would you refer to Exhibit Number Two and identify it?
- A. Exhibit Two is a plat of the well showing the well location.
 - Q Exhibit Three?
- A. Exhibit Three is the schematic sketch of the wellbore showing the casing strings and the cement of the whole section. It has surface casing at two hundred and ninety-two feet, circulated it has eight and five-eighths set at forty-one seventy-six, circulated also to the surface.
 - Q. Okay, Exhibit Four?
- A. Exhibit Four is an area plat showing all wells within a half mile and two mile radius of the subject well.
 - Q Exhibit Five?
- A. Exhibit Five is a list of productive formations of wells within a two-mile redius of the disposal well.

12

13

14

16

17

18

19

22

23

25

Q. What do you anticipate to be the volumes of water to be disposed of in this well?

A. We have anticipated a minimum of three thousand and probably a maximum of seven thousand barrels a day. At present seven thousand is the approximate capacity of the well after we have completed it.

- Q What's the source of the water?
- A. The primary source of water is the Grayburg-San Andres
 formation in the Hobbs Pool primarily. There are a few
 Blinebry wells but they would be insignificant as far as
 the water volumes are concerned to this well.
- Q Will the water be injected under gravity or under pressure?
- A. This would be a gravity disposal well, no pressure would be required.
- Q. What other formations from forty-one seventy-six to ten thousand feet in which this water will be disposed?
- A. We would speculate that probably no water would be going in any other cormations other than the interval to fifty-five hundred feet. We did not attempt to clean up the open-hole section below that point, we only cleaned and circulated the hole after we discovered we had no plugs, we came back up and circulated for a period of time to clean up the hole and then acidized at that point so I would speculate that there would be very little if any water going down in

12

13

15

16

17

18

19

20

22

23

24

25

any other formations at this time.

- O In your opinion, Mr. Goodheart, does the proposed disposal of this water in the interval as requested pose any hazard to fresh water sources?
 - A. No, they do not.
- 0. In your opinion will approval of the application be in the best interests of conservation, prevention of waste and the protection of correlative rights?
 - A. Yes, it will.
- Q. Were Exhibits One through Five prepared by you directly?
- A. They were prepared under my supervision.

 MR. KELLAHIN: We move the introduction of Exhibits

 One through Five.

MR. STAMETS: The exhibits will be admitted.

(THEREUPON, Applicant Exhibits One through

Five were admitted into evidence.)

MR. KELLAHIN: That concludes our examination.

CROSS EXAMINATION

BY MR. STAMETS:

- Q. Mr. Goodheart, are any of the close in producing wells producing from any of these deeper zones?
- Q. There are a couple of wells, Mr. Examiner, I believe that produce from the Blinebry within the two-mile radius, none

ih reporting service Court Reporting Service 122, Santa Fe, New Mexico 87501 Pe (505) 982-921 5

10

11

12

13

14

15

16

17

18

19

20

22

23

24

25

within the half-mile radius and the Blinebry wells are on the outer fringe or just within the two-mile radius circle.

MR. STAMETS: Are there any other questions of the witness? He may be excused.

(THEREUPON, the witness was excused.)

MR. STAMETS: Anything further in this case?

MR. KELLAHIN: No, sir.

MR. STAMETS: We will take the case under advisement.

General Court Reporting Service 825 Calle Mejia, No. 122, Santa Fe, New Mexico Phone (505) 982-9212

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

Sidney F. Morrish, C.S.R.

8id moriish reporting service General Cour Reporting Service 325 Calle Mejia, No. 122, Santa Fe, New Mexico 8 Phone (505) 982-9212 I do hereby certify that the foregoing 18 a complete record of the proceedings in the Examiner hearing of Case No. 5.75.3,

New Mexico Oil Conservation Commission

RICE Engineering & Operating, Inc.

fast Crice Box 1142

Telephone (505) 393.9174

HORRS. NEW MEXICO 88840 May 11, 1977

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fo, New Mexico 87501

Attention: Mr. Joe D. Ramey

Re: Hobbs SWD System
Lea County, New Mexico

Gentlemen:

Rice Engineering & Operating, Inc., as operator of the Hobbs Salt Water Disposal System, hereby respectfully applies for a hearing to be held before the New Mexico Oil Conservation Commission for the purpose of extending the injection interval of the Hobbs Salt Water Disposal Well P-16, located 660' FS & EL of Section 16, Township 19 South, Range 38 East, N.N.P.M., Lea County, New Mexico. Authorization was granted under Order No. R-5384 dated March 15, 1977 for Hobbs SWD Well P-16 as a salt water injection well into the open hole interval from 4176 to 5500 feet.

Rice Engineering & Operating, Inc. hereby requests that Order No. R-5384 be amended to extend the injection interval to include the total open hole section from 4176 feet to the T.D. of 10,008 feet.

To support this request we enclose and state the following:

- A. That said well is located 660' FSL and 660' FEL of Section 16, Township 19 South, Range 38 East, Lea County, New Mexico (Exhibit "A")
- B. That said well was drilled as an unsuccessful deep test (TD 10,008') for possible productive formations with drilling completed on February 19, 1960 and plugged and abandonment completed on February 24, 1960

- C. That said well has 13-3/8" OD casing set at 252 feet and 8-5/8" OD casing set at 4176 feet with cement circulated to the surface on both strings (Exhibit "B")
- D. That Rice Engineering & Operating, Inc. re-entered the well in April, 1977 and completed as a salt water disposal well. That during completion the drill string bit was run to a depth of 6780' and cement plugs were not found at plugged depths of 5500 feet or 6600 feet.
- E. That the water to be injected is produced in the Hobbs Field with an estimated volume of 5500 barrels per day.

Therefore, Rice Engineering & Operating, Inc. requests that the Secretary of the New Moxico Oil Conservation Commission set a date for this Application to be heard, and after said hearing, to amend Order No. R-5384 to allow disposal of salt water in the Hobbs SWD Well P-16 over entire open hole interval from 4176 to 10,008 feet.

Yours very truly,

RICE ENGINEERING & OPERATING, INC.

h. B. Goodheart Division Manager

RK/jp

Attachments: Form 0-108 Exhibit "A"

 $_{n}\mathbf{B}_{n}$

\$1 "C" "D"

NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

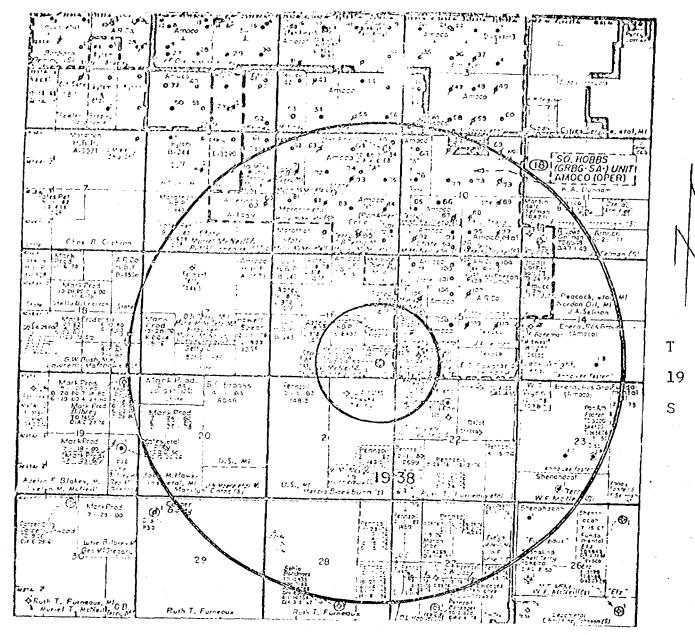
POTATON				TATORES		manda and a superior of the second se	
Rice Engl	meering -	Operati Syste	ng, Inc.	[P. ().	Pox 1142, Ho	bbs, New Mexic	0
Hobbs Sal	t Water I		1)-10	Raddoll		Lea	
ļ	NIT LETTER	T'	IL IN LOCKTED	(60 <u>rur</u> r	TOM THE SOUTT	LINE AND 660 F	EET FROM T
. Fast	INE, SECTION 1	£	45-416 19S	RANGE 38	E NMPM.		
			CASINO	AND TUBING DAT	Α		
NAME OF S	TRING	517.F.	SEITING DEPTH	SACKS CENT	ASS ROUGE CEN	ENT TOP DETERM	NEO BY
SURFACE CASING		12 70	000				
INTERNEDIATE		15-5/8	292	300	Surface	Visual	
THE CHATE	ì						
LONG STAILS					- 1 man - 1 m - 1		
Cad Dining		0.5/0	1100	0000			
T 3811.6		8-5/8	4176	2200	Surface	Visual on-floating oi	·
	!	4 3	1160	11.7		on-floating oi.	L .
CARRE OF PROPOSED II	NIECTION FORMA	41	4160	planket i	n tubing-cas:	Ing annulus	
				1			
San Andres			[SEMP. BATION	San An	Gres 4210	Devonian 10,00	J <u>B</u>
			į.				
THE ASSESSED	DRILLED FOR	7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	open-i	10.16 14	1/6 to 10,000	B (-572 to -640)4)
	CATECOS FOR	1		TE WIT BOX SEE THE COM	ter and responding to the property of the prop		SED INJEC
No	RATED INTERVALS	JOil we		GE OF COPERSE FASH	er en	Luca Acades No	
	MATER INTERVALS		The state of the s	TER THE LOSE BLUE FOLIT		•	
None					eranna i camacia farm lim a adami a		
RESH WATER ZONE IN	THIS AREA		OFFITH OF BOTTO F OF	TNEFT HIGHER TNIC AREA TNIC A	OIL OR GAS	op of NEXT LOWER ZONE IN 1HIS AREA SS (Drinkard)	
יר טיינטי לאינו לי דינטי	Unk	nown	4210 (Gra	tyourg)	-2542	SS (Drinkard)	
INTICIPATES BAILY T NIECTION VOLUME 1 88LS.)			i	ì		AVITY OR APPROX. PRESSUR	E (PSI)
:		7000	Semi c	stosed	Gravity		
NEWER YES OR NO WALLIZED TO SUCH A STOCK, IRRIDATION, O	DEGREE AS TO BE U	NEIT FOR POSSEST!			SAL 2009	ARE WATER ANALYSES ATTAC	HED?
AME AND ACDRESS OF			Yes	:	Yes	No	
					00010		
duriel T.	McHelli,	Box 686	, Hobbs, N	Tew Mexico	88240		
		× .	_				
lmoco Prod	uction Co	ompany, 3	30x 68, Hc	obbs, New N	1exico 88240		
•							
			. av en ammende gapten en en gapten anne e	and the second of the second o	and the second seco		
						(I)	
							-
	s .)
AVE COPIES OF THIS . ENT TO EACH OF THE	APPLICATION BEEN FOLLOWING?	SURFACE OWNER	۹	EACH OPERATO	H WITHIN ONE-HASE MILE	THE NEW MEXICO STATE ENGI	NEER
Yes		Yes		Yes		Yes	
RE THE FOLLOWING IT	TEMS ATTACHED TO E RULE 701-B)	PLAT OF AREA		ELECTRICAL LO) (DIAGRAMMATIC SKETCH OF WE	LL
	\	Yes		Yes		Yes	
P.()	I hereby certif	v that the infor	mation above is t	rue and complete t	o the best of my knowl	edge and belief.	
- F. K.	1	4-				•••	
A. L.	I mostly	Bes	Divisi	on Manager	•	May 11, 1977	
	(Signature) T.	B. Goodh		Title)		(Date)	

NOTE: Should waivers from the State Engineer, the surface owner, and all operators within one-half mile of the proposed injection well. not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Susta Fe office. If at the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests. SEE RULE 771.

/			
	*.4:	R 38 E	•
			Г 19 S
		••660'•• 660'•	
		LEA COUNTY, NEW MEXICO CASC NO. 5153 Submitted by Hearing Data Exhibit "A"	IS SION
		WELL NO. P-16 HOBBS SWD SYSTEM Rice Engineering & Operating, Inc. Hobbs, New Mexico	1"=1000' DWG NO.

K & E CO. -- WICHITA -- HERCULENE 191543

ZERO POINT 3604* KB GROWND PLEY, 3588! 13 3/8" OD 48#-H Casing Set @ 292! w/300 sks. Cement Comment of Surface 45" Plantic Lined Tubing Set @ approx. 4160' w/Oil Blanket in Tubing-Casing Annulus 8 5/8" OD 24# & 32# J&H Casing Set @ 4176' w/2200 sks. Cement Coment Circulated to Surface Proposed Disposal Zone 4176-10,0001 BEFORE EXAMINER STAMETS OIL CONSERVATION COMMISSION Riu EXMERT No. 3 CASE NO. 5953 Selective by Hearing Date TD-10,003' DIAGRAMMATIC SKETCH OF WELL 660' FSL & 660' FEL Section 16, T19S, R38E Lea County, New Mexico (EXHIBIT "B") DWN WELL NO. P-16 HOBBS SWD SYSTEM SCALE NONE DWG NO. Rice Engineering & Operating, Inc. Hoblis, New Mexico K & E CO. - WICHITA - HERCULENE 1918,43



LEA COUNTY, NEW MEYECO

EXHIBIT "C"

DWN	AREA PLAT HOBBS SWD WELL NO. P-16	scale 1" = 4000
	Rice Engineering & Operating, Inc. Hobbs, New Mexico	DWG NO.

K & E CO. -- WICHITA -- HERCULENE 19154

PRODUCTIVE FORMATIONS OF WELLS WITHIN A TWO-MILE HADIUS OF PROPOSED HOPES SWD WELL P-16

<u> Сомбанх</u>	- LBAGE		70.	PORMATICA
Auroo	South (GSA)	Hobbs Unit	62	Grayburg-San Andres -466 to -582'
÷	11		63	Grayburg-San Andres -496 to -655
b	11		64	Grayburg-San Andres -492 to -585'
97	p		65	Grayburg-Son Andres -426 to -614'
fi	•		66	Grayburg-San Andres -414 to -624'
11	P		67	Grayburg-San Andres -384 to -596'
11	b		68	Grayburg-San Andres -459 to -590'
11	fi.		63	Grayburg-San Andres -509 to -672'
ti	11		70	Greyburg-San Andres -454 to -534'
II .	16		71	Grayburg-San Andres -391 to -465'
ir Ir	11		72	Grayburg-San Andres -387 to -457'
U	ţı		73	Grayburg-San Andres -512 to -667'
tt	91		74	Grayburg-San Andres -384 to -586'
1:	Planting and the second of the Second	De l anara,	75	Grayburg-San Andres -439 to -618'
n Z	1 1 1	i i	76	Grayburg-San Andres -401 to -558'
	4.	Mar.	77	Grayburg-San Andres -394 to -595'
" \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	- 1		78	Grayburg-San Andres -467 to -660'
" \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	8		79	Grayburg-San Andres -507 to -585'
" ES	O M		80	Grayburg-San Andres -530 to -568'
· ' · \$ 5	25		81	Grayburg-San Andres -496 to -543'
4 88	6		82	Grayburg-San Andres -417 to -505
n û ĝ		o'	83	Grayburg-San Andres -421 to -600'
" S S S)	84	Grayburg-San Andres -409 to -618*
····································	3 6 6 6		85	Grayburg-San Andres -550 to -570'
" ö i	September 1	<u> </u>	86	Grayburg-San Andres -501 to -609'
AFT.	11]	8 7	Grayburg-San Andres -475 to -632'
tr .	11		88	Grayburg-San Andres -386 to -580'
11	†1		89	Grayburg-San Andres -500 to -615'
11	Ħ		90	Grayburg-San Andres -464 to -524'
U	11		91	Grayburg-San Andres -450 to -597'
t	ti .		. 92	Grayburg-San Andres -439 to -600°
tt N	11		93	Grayburg-San Andres -480 to -588'
n	11		94	Grayburg-San Andres 4016 to 4177' Elev. not available
***	**		95	Grayburg-San Andres -477 to -585'
tt			96	Grayburg-San Andres -465 to -593'
er .			97	Grayburg-San Andres -575 to -612'
21	tr.		9 8	Grayburg-San Andres -467 to -512'
91	n	.**	99	Grayburg-San Andres -452 to -506' T/A
· ti	‡ 1		100	Grayburg-San Andres -547 to -566'
U.	11		101	Grayburg-San Andres -411 to -574'

```
WBTJ.
 COMPANY
              LEASE
                                       FORMATION
                                \mathcal{H}(0).
 Amogo Contd. South Hobbs
                                102
               (GSA) Unit
                                       Grayburg-San Andres -546 to -579'
                                103
                                       Grayburg-San Andres -409 to -584'
                                104
                                       Grayburg-San Andres -569 to -5981
                                105
                                       Grayburg-San Andres -472 to -525'
                                106
                                       Grayburg-San Andres -477 to -563'
                                107
                                       Grayburg-San Andres -402 to -5821
                                108
                                       Grayburg-San Andres -473 to -517'
                                109
                                       Grayburg-San Andres -404 to -584'
                                110
                                       Grayburg-San Andres -482 to -634!
                                111
                                       Grayburg-San Andres -497 to -584'
                                       Paddock -768 to -772' T/A
                                34
              H. T. Dreutt
                                       Grayburg-San Andres -398 to -498'
                                1
                                       Grayburg-San Andres
              Terry et al
                                       4140 to 4194' Elev. not available
Christman
              J. Hughes
                                       4011' P/A
                                       Grayburg-San Andres
Cone
              Will Terry
                               1
                                       -469 to -514' P/A
              Foster B
                               1
                                       Drinkard -3607 to -4004
Energy
              Foster C
                               1
                                       Drinkard -3119 to 3264!
                                       -817' TD P/A
                               1
Felmont
              Terry
                                       -3886 to -4031 P/A
R. Lowe
              F. Selman
                                       South Bowers-Seven Rivers
Marathon
              State Sec. 9
                                       +407 to +267'
                                      Grayburg-San Andres
4202 to 4250' 2/A
Mertindale
              Selman
                                       -670 to -702' Dry hole P/A
Moran
              Etal
Pan American A.L. Foster A
                                       Blinebry, Drinkard
                                       -2542 to
Rice Eng.
              Hobbs/SWD
                               E-15
                                      Lower San Andres -1063 to -1215'
                               1
                                      Drinkard -3135 to -3288 P/A
Shenandoah
             W. Terry
                                      -640' TD Dry hole
Shell
              Terry
Skelly
             Mexico "U"
                               2
                                      Grayburg-San Andres -469 to -554'
                               1
                                      -6689' Dry hole
Sohio
              Bordages etal
                                      4071 to 4185' Elev. not avail. P/A
Stanolind
             Terry Tract
                               1
             Wright
                               \epsilon
                                      4275' TD Dry hole P/A
                                      -480 to -5281 P/A
              J. H. Moore
                               4
Texaco
                               2
                                      -501 to -5831 D/A
             N. Corp. Etd.
                                      -569 to -618 dry, -3437 to -4279 dry P/2
US Smelt.
             Bordages
                               1
                               1
                                      San Andres -872 to 876' R/A
Forest
             Yates
```

RICE Engineering & Operating, Inc.

Post Office Box 1142

Telephone (505) 393-9174

HOBBS. NEW MEXICO 88240 May 11, 1977

OIL CONSTRUCTION CLASSICAL

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey

Re: Hobbs SWD System Lea County, New Mexico

Gentlemen:

Rice Engineering & Operating, Inc., as operator of the Hobbs Salt Water Disposal System, hereby respectfully applies for a hearing to be held before the New Mexico Oil Conservation Commission for the purpose of extending the injection interval of the Hobbs Salt Water Disposal Well P-16, located 660' FS & EL of Section 16, Township 19 South, Range 38 East, N.M.P.M., Lea County, New Mexico. Authorization was granted under Order No. R-5384 dated March 15, 1977 for Hobbs SWD Well P-16 as a salt water injection well into the open hole interval from 4176 to 5500 feet.

Rice Engineering & Operating, Inc. hereby requests that Order No. R-5384 be amended to extend the injection interval to include the total open hole section from 4176 feet to the T.D. of 10,008 feet.

To support this request we enclose and state the following:

- A. That said well is located 660' FSL and 660' FEL of Section 16, Township 19 South, Range 38 East, Lea County, New Mexico (Exhibit "A")
- B. That said well was drilled as an unsuccessful deep test (TD 10,008') for possible productive formations with drilling completed on February 19, 1960 and plugged and abandonment completed on February 24, 1960

Page 2 - NMOCC - May 11, 1977

- C. That said well has 13-3/8" OD casing set at 292 feet and 8-5/8" OD casing set at 4176 feet with cement circulated to the surface on both strings (Exhibit "B")
- D. That Rice Engineering & Operating, Inc. re-entered the well in April, 1977 and completed as a salt water disposal well. That during completion the drill string bit was run to a depth of 6780' and cement plugs were not found at plugged depths of 5500 feet or 6600 feet.
- E. That the water to be injected is produced in the Hobbs Field with an estimated volume of 5500 barrels per day.

Therefore, Rice Engineering & Operating, Inc. requests that the Secretary of the New Mexico Oil Conservation Commission set a date for this Application to be heard, and after said hearing, to amend Order No. R-5384 to allow disposal of salt water in the Hobbs SWD Well P-16 over entire open hole interval from 4176 to 10,008 feet.

Yours very truly,

RICE ENGINEERING & OPERATING, INC.

L. B. Goodheart Division Manager

RK/jp

Attachments: Form C-108

Exhibit "A"

" "B"

n nGn

 n n D n

Form C-108 Revised 1-1-65

(Date)

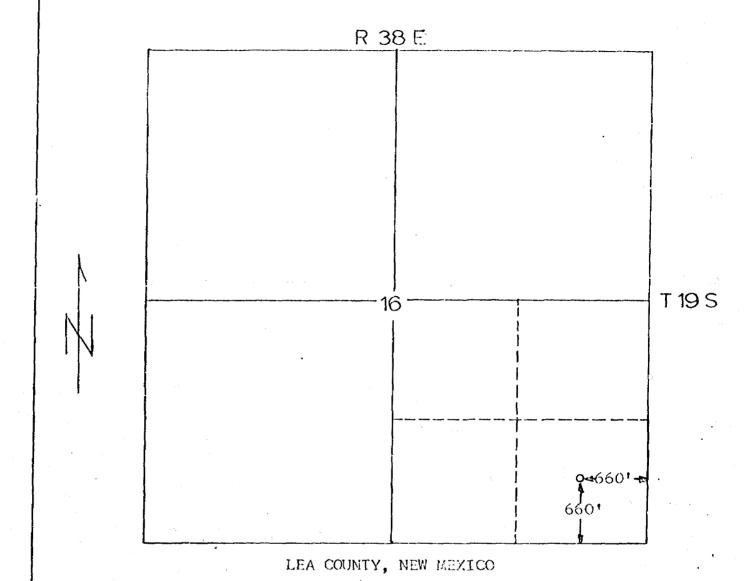
NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

OPERATOR				ADDRESS	·		L. UIL	<u>Volutines</u>	Markenine
Rice Eng	ineering	& Operati	ing, Inc.	P. O.	Box	1142, Ho	bbs,	New	Mexico
LEASE NAME		Syste	m WELL NO.	FIELD		and the second s			COUNTY
Hobbs Sa	lt Water	Disposal	P-16	Hobbs			~~~		Lea
		T)		660		0 0 1 1 1		66	^
	UNIT LETTER	; we	LL IS ICCATED	660 - + + + + + + + + + + + + + + + + + +	ROM THE	South	LINE AND	60	FEET FROM TH
East	LINE, SECTION	16 rov	VNSHIP 198	HANGE 38	3E	NMPM.	a company		• • • • • • • • • • • • • • • • • • • •
NAME OF	- FTOWS	SIZE	CASING SETTING DEPTH	G AND TUBING DA		TOP OF CEN			0.5.7.5
SURFACE CASING	JIRING	3126	SEITING DEPTH	SACKS CEME	. N I	TOP OF CEN	ENI	100	DETERMINED BY
	İ	13-3/8	292	300		Surface		Vis	ual
INTERMEDIATE									
LONG STRING				ļ					
		8-5/8	4176	2200		Surface		Vis	ກຂາ
TUBING			7110	NAME, MODEL AND	EPTH OF	TUBING PACKER N	on-fl	oati	ng oil
		4 <u>월</u>	4160	blanket	in tu		ing a	nnul	us
	INJECTION FORMAT	_		TOP OF FOR		4040	1	OF FORM	
	es to Deve		PERFORATION	San Ar	ROPOSED	4210 INTERVAL(S) OF IN.	Devo	nian	10,008
Tubing			open-l	hole 4	176	to 10,000	3 (-5	72 to	o -6404)
IS THIS A NEW WEL	LL ORILLED FOR	l i	NO, FOR WHAT PURPO	SE WAS WELL ORIGIN	ALLY DRI	LLED?	HAS WE	LL EVER E	EEN PERFORATED IN AN
No	FORATEO NIVERVAL	Oil we		OFF OR SQUEEZE EAC			TION Z	Ne? No	<u> </u>
None	CPONATED INTERVALS	S AND SACKS OF CE.	MENT USED TO SEAL	OFF OR SQUEEZE EAC	н				
DEPTH OF BOTTOM FRESH WATER ZONE	OF DEEPEST		DEPTH OF BOTTOM OF	F NEXT HIGHER		DEPTH OF TO	OP OF NEX	LOWER	
	Unl	cnown	4210 (Gra	ayburg)		-2542	SS (\mathtt{Drink}	card)
ANTICIPATED DAILY INJECTION VOLUME (88LS.)	MINIMUM	MAXIMUM		EO TYPE SYSTEM			AVITY OR	APPRO	X. PRESSURE (PSI)
ANSWER YES OR NO	WHETHER THE FOLL	7000	Semi (Closed		avity	ARE WA	TER ANALY	(SES ATTACHEO?
ERALIZED TO SUCH STOCK, IRRIGATION	A DEGREE AS TO BE , OR OTHER GENERAL	UNFIT FOR DOMEST	Yes		SALZO	Yes	N		aca Alfabrica;
NAME AND ADDRESS	OF SURFACE OWNER	OR LESSEE, IF ST	ATE OR FEDERAL LAN						
Muriel T.	. McNeill,	Box 686	, Hobbs, N	Vew Mexico	882	40			
Amoco Pro	duction (company,	BOX 60, HO	obbs, New	Mexi	00 00240			
						5			
				*				#*************************************	
									· · · · · · · · · · · · · · · · · · ·
							· · · · · · · · · · · · · · · · · · ·		
						-			
	IS APPLICATION BEE		R		INTIW RO	N ONE-HALF MILE	1		STATE ENGINEER
Yes	TEMS ATTACHED Y	Yes		Yes	.06		1 Yes		ETCH OF WELL
THE APPLICATION	SEE RULE 701-B)	Yes		Yes			Yes		with the state of
	I harabu as-t		rmation above is 4	true and complete	10 160 5	act of my leases			<u>``</u>
A. K.	- In	Light the info	matton above 15 (and complete	.v me t	rest of my know.	renke an	a penei.	
ہا لہ	. 11. 111.	. 1	Dianiai	150.00.00			15	4.4	1077

Goodheart (Title)

NOTE: Should waivers from the State Engineer, the surface owner, and all operators within one-half mile of the proposed injection well. not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. If at the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing. if the applicant so requests. SEE RULE 701.



		Rice Engineering & Operating, Inc. Hobbs, New Mexico	DWG NO.
DWN		WELL NO. P-16 HOBBS SWD SYSTEM	scale 1''=1000'
	 Exh	ibit "A"	

K & E CO. -- WICHITA -- HERCULENE 19154

Proposed Disposal Zone 4176-10,0081

ZERO POINT 3604 KB GROUND ELEV. 35881

13 3/8" OD 48#-H Casing Set @ 292' w/300 sks. Cement Cement Circulated to Surface

4½" Plastic Lined Tubing Set @ approx. 4160' w/Oil Blanket in Tubing-Casing Annulus

8 5/8" OD 24# & 32# J&H Casing Set @ 4176' w/2200 sks. Cement Cement Circulated to Surface

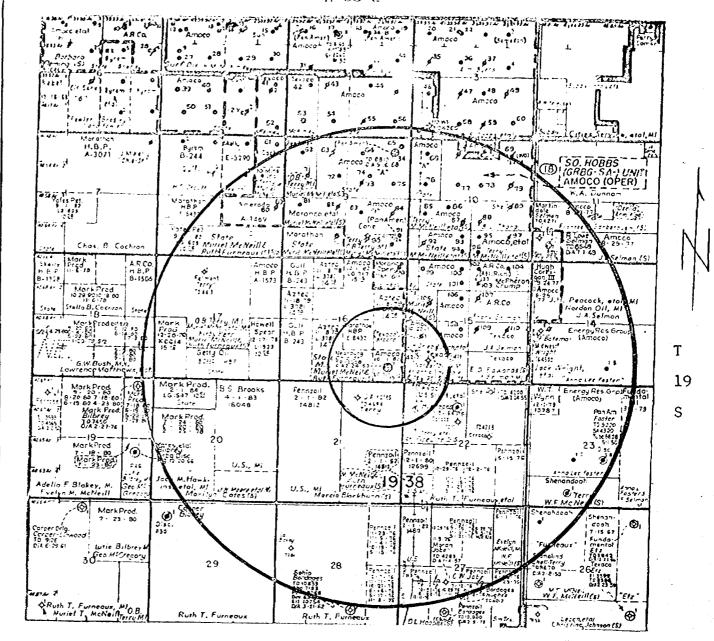
TD-10,003'

DIAGRAMMATIC SKETCH OF WELL 660' FSL & 660' FEL Section 16, T19S, R38E Lea County, New Mexico

(EXHIBIT "B")

	Rice Engineering & Operating, Inc.	DWG NO.
DWN	 WELL NO. P-16 HOBBS SWD SYSTEM	SCALE NONE

8 38 E



LEA COUNTY, NEW MEXTCO

EXHIBIT "C"

	Rice Engineering & Operating, Inc.	DWG NO.
WN	AREA PLAT HOBBS SWD WELL NO. P-16	scale 1" = 4000

K & E CO. -- WICHITA -- HERCULENE 191545

				74 A	
	MEANY	કુટુંકુટું છ કુંગ ા કા ,		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
7,0		(GJA)		• 12	Gurago ang Sen Ladres -4th to -9821
	17	. •		+ 3	The type the madres (49) to 40)
	\$1.	\$:		F 4	drayed groke andres -492 to -585.
	P	:*		65	Grayourg-Sun shares -426 to -6141
	64	· t		€£	Graybar, Jan hores -414 to -624
	D	4.		€7	Grayburg-San Andres -384 to -9961
	t:	1*		£ (1)	Grayburg-San Andres -459 to -5901
	ti	31		ŧ. 3	Graybarg-Sed Sudres -509 to -672'
	29	tı		70	Grayburg-San Andres -454 to -5361
	11	J 1		77	Graybury-Jan Andres -391 to -4651
	30	f ·		72	Grayburg-dam Andres -387 to -4571
	1.	3.		73	Greyturg-San Andres -512 to -6671
	H	9:		74	Grayburg-San Andres -584 to -586 1
	> :	. **		75	Grayburg-San Andres -439 to -618'
	fi	· tr		76	Greyburg-Jan Andres -401 to -558'
	t.	41		77	Grayburg-San Andres -394 to -595'
	•)	\$1		78	Graybarg-San Andres -467 to -660'
	·	6		79	Grayturg-San Andres -507 to -5051
	9 :	(;		. 25 43.	Grayburg-San Andres -530 to -568
	1 7.	ţ:		31	-Graylarg-San andres -496 to -543'
	n .	\$ 1		82	Grayburg-Sen Andres -417 to -505'
	ŧ	**		83	Greyburg-San Andrea -421 to -800'
	••	17		54	Grayburg-San wadres -409 to -618'
	TI.	•1		85	Grayburg-Sun Andres -550 to -570'
	t:	\$1		86	Graylorg-San Andres -501 to-609'
	ť,	† #		37	Gray subgrass andres -475 to -632'
		11		38	Gragburg-Jon andres -336 to -500'
	11	9-		33	Graybupp-dan Andres -500 to -616'
	10 .	1 1		90	Grayburg-San Andres -464 to -524'
	· P	, A		91	Grayburg-San Audres -450 to -597
×	11) ;		93	Graygorg-San Andres -439 to -600'
	f1	t:		93	Grayburg-San Andres -480 to -508!
		#:		94	Grayburg-San Andres 4016 to 4177' Flev. not available
	*			95	Grayburg-San Andres -477 to -505'
	•	ŧr		96	Grayburg-San Andres -465 to -593'
		. 👣		97	Grayburg-San Andres -575 to -512'
	u) 1	7 7	98	Graybung-San Andres -467 to -512
•	11	+1		99	Grayburg-San Andres -452 to -506' T/A
	si .	11	-	100	Grayburg-San Andres -547 to -566'
	tr	1+		101	Grayberg-Sea Andres -411 to -574'

		$M^* \mathcal{H}^* (\mathbb{R}^n)$	
Amboo Contd.	.8393 3 auth Hobbs	W.	Ministration of the second
	(OSA) Unit	102	603, 997g-200 Trans -546 to -5791
11	ę)	1.73	Graytung-Jan Sudres -409 to -5841
11	•	104	Ocaybregular Endres win 9 to -5931
ŧ.	11	1:25	Grayou grades Andres -472 to -5251
**	•	196	Gib tropesan ledges -477 to -5631
t	tt	1.27	Gregouigebon indres -402 to -5321
ti ·	#t	103	Greyborg-San Andres -473 to -517'
Þ	**	103	Grayourge-San Andres -404 to -5841
I)	\$1	110	Grayolog can Andros -462 to -634"
4:	**	111	Grayuung-San Audres -497 to -584'
4 r	j.	3.1	AVY 'S77- CU 837- SULEMBO
1	P. T. Dreast	1	Gregourg-San andres -398 to -498'
.	Torry et at	1	Graybung-San Andres 4140 to 4194' Blev, not available
Christman	J. Hughes	ri i	40111 300
Cone	WIII Cerry	1	Trayburg-San andres -469 to -5141 C/A
Enorgy	Foster B	1	Swinkar -3607 to -4004 t
· · · · · · · · · · · · · · · · · · ·	Poster C	1	Draesard -3419 to 3264!
Felmont	Merry	1	-817170 0/a
R. Nowe	F. Selman	•	-3886 to -4031* P/A
Marathon	State Sec. 9	1	South Bowers-Seven Rivers
Martindale	Selman	3	Grayburg-San Andres 4202 to 42501 7/A
Moran	The I	•	-670 to -702" Dry hole P/A
Pan American	ALE. Poster A	4	Flinebry, Brinkard -2542 to -3358 to -2652' -3462' F/A
Rice Eng.	Hobbs SVD	11-15	Lower S.A. Andres -1063 to -1215'
Shenandoah	h. Terry	1	Drinkard -3135 to -3288' P/A
Shell	Terry	Š	-Capt TD Dry hole
Skelly	Mexico - 3"	2	Grayoung-San Andres -469 to -554!
Sohio	Bordages etal.	1	-Effer bry hole
Stanolind	Terry Tract	1	4071 to 4185' Blev. not avail. P7A
11	Wright	E	4075 TD Dry hose Ma
Texaco	J. H. Moore	1	-460 so -5281 P/A
	N. Corp. 1std.	2	-50% to -5831 P/A
US Smelt.	Bordages	1	-569 to -618' day, -3437 to -4279' dry P
Forest	Yates	į	San Andres -872 to 876 T/a

- CASE 5967: Application of Belco Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 8 and in the other Pennsylvanian formations underlying the E/2 of said Section 8, Township 24 South, Range 35 East, Cinta Roja-Morrow Gas Pool, Lea County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- Application of Sun Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Drinkard and Tubb production in the wellbore of its Elliott A Well No. 2 located in Unit H of Section 21, Township 21 South, Range 37 East, Lea County, New Mexico.
- Application of Getty 0il Company for an exception to Rule 104(C), Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104(C) to permit its Mexico "L" Wells Mos. 3 and 24, located in Unit B of Section 5, Township 25 South, Range 38 East, Dollarhide-Fusselman CASE 5969: Field, Lea County, New Mexico, to be located closer than 330 feet to each other.
- CASE 5953: (Continued from June 8, 1977, Examiner Hearing)

Application of Rice Engineering & Operating, Inc., for amendment of Order No. R-5384, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5384 to extend the injection interval in its Hobbs Salt Water Disposal Well No. 16 located in Unit P of Section 16, Township 19 South, Range 38 East, Lea County, New Mexico, to include the total open-hole section from 4176 feet to 10,008 feet.

CASE 5954: (Continued from June 8, 1977, Examiner Hearing) Application of Caulkins Oil Company for downhole commingling, Rio Arrita County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs and Chacra production in the wellbore of its Breech Well No. 368 located in Unit I of

Section 23, Township 26 North, Range 7 West, Rio Arriba County, New Mexico.

CASE 5956: (Continued from June 8, 1977, Examiner Hearing)

> Application of Continental Oil Company for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the E/2 NE/4, NW/4 NE/4, and NE/4 SE/4 of Section 27, Township 20 South, Parge 38 East, Warren-Tubb Gas Pool, Lea County, New Mexico, to be dedicated to its Warren Unit Well No. 42 located in Unit I of said Section 27.

CASE 5970: Application of Texaco Inc., for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of pressure maintenance, all mineral interests in the Grayburg-San Andres formation underlying the following-described lands, Vacuum-Grayburg-San Andres Pool, Lea County, New Mexico:

TOWNSHIP 17 SOUTH, RANGE 34 EAST Section 25: SE/4 NE/4 and S/2

Section 36: All

TOWNSHIP 17 SOUTH, RANGE 35 EAST Section 30: All

Section 31: N/2, SW/4, and SW/4 SE/4

TOWNSHIP 18 SOUTH, RANGE 34 EAST Section 12: N/2 NE/4

TOWNSHIP 18 SOUTH, RANGE 35 EAST Section 6: All Section 7: NW/4 and NW/4 NE/4

Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of a fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not-necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

RICE Engineering & Operating, Inc.

Post Office Box 1142

Telephone (505) (393/9174

HOBBS, NEW MEXICO 88240 May 27, 1977

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico 87501 Attn: Mr. Joe D. Ramey

Ar. 5953

Re: Hobbs SWD System

Lea County, New Mexico SWD Well P-16

Gentlemen:

This will confirm telephone request to Mr. Richard L. Stamets this date for postponement of scheduled hearing of June 8, 1977 for amendment of Order No. R-5384 to extend the injection interval in our Hobbs SWD Well P-16 to include total open hole section from 4,176 feet to T.D. of 10,008 feet.

I will be out of the state on the scheduled date of June 8, 1977 and respectfully request that Case No. 5953 be postponed and rescheduled for June 22, 1977.

Yours very truly,

RICE ENGINEERING & OPERATING, INC.

L. B. Goodheart Division Manager

LBG/ac

orang.

- Application of Joe Don Cook for an exception to Order No. R-3221, Eddy County, New Mexico.

 Applicant, in the above-styled cause, seeks, as an exception to the provisions of Cormission
 Order No. R-3221, permission to dispose of produced salt water from his State Well No. 1, located
 in Unit J of Section 2, Township 19 South, Range 31 East, Shugart Pool, Eddy County, New Mexico,
 into an earther evaporation pit in said Section 2.
- CASE 5991: Application of Odessa Natural Corporation for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the W/2 of Section 32, Township 24 North, Range 3 West, Rio Arriba County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5952: Application of Mudson & Mudson for unorthodox oil well locations, Eddy County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the unorthodox locations of 14 oil wells to be drilled at the following locations:
 - 25 feet from the North and East lines of Units B, C, D, E, P, G, J, K, N, and O; and 25 feet from the North line and 330 feet from the East line of Units A, H, I, and P, all in Section 25, Township 17 South, Range 31 East, Maljamar Grayburg-San Andres Pool, Eddy County, New Mexico.
- CASE 5953: Application of Rice Engineering & Operating, Inc., for amendment of Order No. R-5384, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5384 to extend the injection interval in its Hobbs Salt Water Disposal Well No. 16 located in Unit P of Section 16, Township 19 South, Range 38 East, Lea County, New Mexico, to include the total openhole section from 4176 feet to 10,008 feet.
 - CASE 5954: Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs and Chacra production in the wellbore of its Breech Well Mo. 368 located in Unit I of Section 23, Township 26 North, Range 7 West, Rio Arriba County, New Mexico.
 - CASE 5955: Application of Penroc Oil Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Foxie-Federal Well No. 2 to be drilled in the center of Unit O of Section 18, Township 20 South, Range 28 Fast, Eddy County, New Mexico, the E/2 of said Section 18 to be dedicated to the well
 - CASE 5956: Application of Continental Oil Company for a non-standard proration unit, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for a 160-agre non-standard gas proration unit comprising the E/2 NE/4, NW/4 NE/4, and NE/4 SE/4 of Section 27, Township 20 South, Range 38 East, Warren-Tubb Gas Pool, Lea County, New Mexico, to be dedicated to its Warren Unit Well No. 42 located in Unit I of said Section 27.
 - CASE 5957: Application of Continental Oil Company for downhole commingling, Rio Arriba County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the downhole commingling of Otero-Chara and South Blance-Pictured Cliffs production in the wellbores of its AXI Apache "J" Wells Mos. 9 and 11, located in Units O and A, respectively, of Cession 6, and Wells Mos. 10 and 12, located in Units A and K of Section 5, Township 2f Morth, Bance-5 West, Rio Arriba County, New Mexico.
 - Application of Continental Oil Company for downhole commingling, Rio Arriba County, New Yexiso.

 Applicant, in the above-styled cause, seeks approval for the downhole commingling of ContalesMesaverde and Otero-Chacra production in the wellbores of its AXI Apache "J" Wells Mos. 18, 23,
 and 24 located in Units A, D, and P of Section 8: Nos. 19 and 22 in Units D and L of Section 6;
 Nos. 20 and 21, in Units C and I of Section 5; and Mo. 25 in Unit A of Section 7, all in Township
 25 North, Range 5 West, Rio Arriba County, New Mexico.
 - CASE 5959: In the matter of the application of the Oil Conservation Commission on its own motion to consider the creation, extension, and abolishment of certain pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico:
 - a) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the North Cato-San Andres Pool. The discovery well is the Cleary Petroleum Corporation Federal "15" Well No. 1 located in Unit M of Section 15, Township 7 South, Range 30 Fast, NAPM. Said pool would comprise:

TOWNSHIP 7 SOUTH, RANGE 30 FAST, NMPN Section 15: SW/4 DRAFT RLS/jr

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. 5953

Order No. R- 5384-A

APPLICATION OF RICE ENGINEERING AND OPERATING, INC., FOR AMENDMENT OF ORDER NO. R-5384, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 22

19 77, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this day of , 19 77, 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

(2) This by Craix to R-5384, dated march. 15, 1977, the Commission withourized Rice Engineering and Operating Inc. to dispose of produced east water into the San Andrea formation through the upon-hole interval from approximately 4176 feel to 5500 feet in its Hoses Sate was Dignary

located in Unit P of Section 16, Township 19 South, Range 38 East, Lea County, New Mexico, to include the total open-hole section from

- seeks the amendment of Commission Order No. R-5384 to extend the injection interval in its Hobbs Salt Water Disposal Well No. 16 1176 feet to 10,008 feet.
- (4) That approval of the subject application will not cause waste or harm correlative rights.
 - That the application should be approved.

-2-Case No. 5953 Order No. R-5384-A

IT IS THEREFORE ORDERED:

- (1) That Order (1) of Commission Order No. R-5384 is hereby amended to read in its entirety as follows:
- "(1) That the applicant, Rice Engineering & Operating,
 Inc., is hereby authorized to utilize its Hobbs SWD Well No. P-16,
 located in Unit P of Section 16, Township 19 South, Range 38 East,
 NMPM, Hobbs Field, Lea County, New Mexico, to dispose of produced
 all fractions from
 salt water into the San Andres torneties, injection to be
 accomplished through 4 1/2-inch tubing with injection under an oil
 blanket into the open-hole interval from approximately 4176 feet
 to 5500 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined, and that pressure gauges shall be attached to the tubing and to the casing-tubing annulus in order to determine leakage in the casing or tubing."

(2) 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 herein-

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

Y TO