

CASE 5975: BETTIS, BOYLE, & STOVALL  
FOR SALT WATER DISPOSAL, LEA COUNTY,  
NEW MEXICO

Case Number

5975

Application

Transcripts.

Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
July 6, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Bettis, Boyle & Stovall ) CASE  
for salt water disposal, Lea County, ) 5975  
New Mexico. )

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil      Lynn Teschendorf, Esq.  
Conservation Commission:      Legal Counsel for the Commission  
State Land Office Building  
Santa Fe, New Mexico

For the Applicant:      Owen M. Lopez, Esq.  
MONTGOMERY, ANDREWS & HANNAHS  
Attorneys at Law  
325 Paseo de Peraita  
Santa Fe, New Mexico

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

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I N D E X

Page

THOMAS H. GRIFFIN

Direct Examination by Mr. Lopez

3

Cross Examination by Mr. Nutter

7

EXHIBIT INDEX

Offered

Admitted

Applicant Exhibit One, Map

4

7

Applicant Exhibit Two, Cement Bond Log

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7

Applicant Exhibit Three, Water Analysis

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Applicant Exhibit Four, Water Analysis

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Applicant Exhibit Five, Schematic

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1 MR. NUTTER: We will call Case Number 5975.

2 MS. TESCHENDORF: Case 5975, application of Bettis,  
3 Boyle & Stovall for salt water disposal, Lea County, New Mexico

4 MR. LOPEZ: If the Examiner please, my name is Owen  
5 Lopez from the firm of Montgomery, Andrews and Hannahs of  
6 Santa Fe, appearing on behalf of the applicant and I have one  
7 witness to be sworn.

8 (THEREUPON, the witness was duly sworn.)

9  
10 THOMAS H. GRIFFIN

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

13  
14 DIRECT EXAMINATION

15 BY MR. LOPEZ:

16 Q Would you please state your name, by whom you are  
17 employed and in what capacity?

18 A Thomas H. Griffin, Bettis, Boyle & Stovall,  
19 Production Superintendent for West Texas and New Mexico.

20 Q Have you ever testified before the Commission and  
21 had your qualifications accepted?

22 A No, I have not.

23 Q Would you briefly state your educational background  
24 and employment background, please?

25 A I'm a 1973 graduate of the University of Tulsa with

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1 a BSDA in management. Upon graduation I went to work for  
2 Amerada Hess as Production Foreman and served in West Texas,  
3 New Mexico and Mississippi and in October of 1976 I joined  
4 Bettis, Boyle & Stovall as Production Superintendent for West  
5 Texas and New Mexico.

6 MR. LOPEZ: Are the witness' qualifications  
7 acceptable?

8 MR. NUTTER: They are.

9 Q (Mr. Lopez continuing.) Are you familiar with  
10 Case 5975?

11 A. Yes.

12 Q And what is it the applicant seeks in this case?

13 A. We seek authority to dispose of salt water into the  
14 Seven Rivers-Queen formation through the perforated and open-  
15 hole interval from twenty-nine seventy-five feet to thirty-two  
16 eighty-five feet in our Annie L. Christmas Well No. 1  
17 located in Unit E of Section 20, Township 25 South, Range 27  
18 East, Jalmat Pool, Lea County, New Mexico.

19 Q Now turning to Exhibit Number One would you please  
20 describe it?

21 A. Exhibit Number One is a map of the area around the  
22 Annie Christmas No. 1. The red arrow in the center indicates  
23 the location of the well and all of the wells within the  
24 circle are wells in a two-mile radius of the well. The wells  
25 are color coded to indicate the pool in which they are

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1 completed and you might note that the injection wells in the  
2 area are color coded green and the disposal wells are color  
3 coded blue.

4 Q Now does this map show the producing wells from  
5 which you are making the water you wish to dispose of?

6 A It does.

7 Q Where are they located?

8 A The one location north is the V. H. Justis No. 2 and  
9 one location to the northwest is B. M. Justis No. 4.

10 Q And you have explained, have you not, that there are  
11 other injection wells, whether they are for waterflood or  
12 for salt water disposal in the area?

13 A Right, Reserve Oil and Gas operates a waterflood  
14 on the north side of us, of this particular lease, and Union  
15 of Texas operates a waterflood project to the northeast of  
16 us.

17 Q Now turning to Exhibit Number Two would you please  
18 describe it?

19 A Exhibit Number Two is a cement bond log that we  
20 ran last month to determine the quality of our cement job and  
21 we feel like we have a good cement above the salt section and  
22 below.

23 Q Okay, turning to Exhibit Number Three would you  
24 describe it?

25 A Three is a water analysis of the water produced from

1 the Annie Christmas No. 1 and from the B. M. Justis No. 4  
2 which would be the water to be disposed of.

3 Q I think we have marked Exhibit Number Three as the  
4 water analysis of the Christmas well and Exhibit Number Four  
5 as the water analysis of the B. M. Justis well.

6 Now, turning to Exhibit Number Five would you  
7 describe it?

8 A Exhibit Number Five is a downhole schematic of the  
9 Annie Christmas No. 1 and it also includes the data such as  
10 the source of the fluids that we would like to dispose of  
11 into the well, our anticipated pressures and our anticipated  
12 volumes.

13 Q And how do you propose to complete the injection  
14 well?

15 A We propose to run plastic coated tubing with a  
16 packer and set it just above the Seven Rivers perforations in  
17 good cement according to the cement bond log and install a  
18 pressure gauge on the tubing and the casing so that we can  
19 monitor it daily for any type of tubing leak or packer failure.

20 Q In your opinion would the granting of this applica-  
21 tion prevent waste and protect correlative rights?

22 A Yes, it would.

23 Q Were Exhibits One through Five prepared by you or  
24 under your supervision?

25 A Yes.

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1 MR. LOPEZ: At this time I would like to offer  
2 Exhibits One through Five.

3 MR. NUTTER: Applicant's Exhibits One through Five  
4 will be admitted into evidence.

5 (THEREUPON, Applicant's Exhibits One through  
6 Five were admitted into evidence.)

7  
8 CROSS EXAMINATION

9 BY MR. NUTTER:

10 Q Mr. Griffin, would you go through this casing and  
11 cementing program in detail and describe it for us, please?

12 A Okay, the well has ten and three-quarter inch,  
13 thirty-two pound pipe set at three hundred and twenty-five  
14 foot with two hundred sacks circulated. Seven inch is set  
15 at thirty-two twelve with three hundred and fifty sacks using  
16 a two-stage Halliburton tool. The well has an open-hole  
17 completion from thirty-two twelve to thirty-two eighty-five  
18 which is TD. There are Seven Rivers perforations in the pipe  
19 from twenty-nine seventy-five to three thousand five foot.

20 The cement bond log indicates that we have a good  
21 bond from a thousand foot which is as high as we went up on  
22 the log, that's as high as it got, down to eleven sixty-five  
23 and that was the top of the DV tool and then a good cement  
24 bond from twenty-five fifty-six to TD.

25 Q In other words, this cement on this pipe was run in

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1 two stages?

2 A. Yes, sir.

3 Q And the lower portion of the pipe, the cement comes  
4 from the shoe back up to twenty-five fifty-six and then there  
5 is an interval with no cement until you get to eleven sixty-  
6 five?

7 A. Yes, sir.

8 Q And then you've got a hundred and sixty-five feet of  
9 cement there on that second stage?

10 A. Yes, sir.

11 Q Now the salt is in between the bottom of the upper  
12 cement and the top of the lower cement, is it not?

13 A. Yes, sir.

14 Q Now you haven't shown any tubing or any treatment  
15 of the well for disposal purposes at all on this exhibit,  
16 what's your proposal there?

17 A. We propose to set plastic lined tubing with a  
18 Baker AD-1 packer.

19 Q Okay, let's see, what size tubing will that be?

20 A. Two and three-eighths.

21 Q And that would be plastic lined?

22 A. Yes, sir.

23 Q And that would be set where?

24 A. At approximately twenty-nine hundred foot.

25 Q What kind of a packer was that?

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- 1 A. A Baker AD-1, a tension packer.
- 2 Q. The annulus then would be treated in what manner?
- 3 A. With a packer fluid.
- 4 Q. Would that be some kind of an inert fluid in the
- 5 annulus?
- 6 A. Yes, sir.
- 7 Q. And that can be left open or equipped with a
- 8 pressure gauge so that you can detect any leaks in the packer?
- 9 A. Yes, sir.
- 10 Q. Now do you have any estimate of the quantity of water
- 11 you will be disposing of?
- 12 A. Yes, sir, the back page of this exhibit -- currently
- 13 we are producing around seventy-five barrels per day. This
- 14 has changed since then, since I made this, but we anticipate
- 15 a maximum of three hundred barrels a day in the future as the
- 16 wells begin to completely water out.
- 17 Q. And you don't anticipate that you would need more
- 18 than three hundred psi at the surface to get rid of three
- 19 hundred barrels of water per day?
- 20 A. No, sir.
- 21 Q. Now these other injection wells that you have shown
- 22 here, you mentioned that immediately to the north of your
- 23 well is an injection well?
- 24 A. Two locations to the north.
- 25 Q. Two locations to the north?

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1 A. Yes, sir.

2 Q. Okay, that's that Reserve No. 26 there circled in  
3 green on this exhibit?

4 A. Yes, sir.

5 Q. You mentioned to the west there was an injection  
6 well, I think, one location to the west?

7 A. No, one of the wells that is making water that we  
8 would like to dispose of is to the west, the V. H. Justis.  
9 Immediately to the north of the Christmas Well is the V. H.  
10 Justis which is a well that is a producing well and immediately  
11 to the west of the V. H. Justis is the B. M. Justis No. 4  
12 which we would like to be able to put its produced water into  
13 the Christmas well.

14 Q. Now you will be going into the open hole as well as  
15 the perforated interval in this well, is that correct?

16 A. Yes, sir.

17 Q. So you will be injecting into the Seven Rivers and  
18 the Queen?

19 A. Yes, sir.

20 Q. Now these waterfloods to the north and northeast,  
21 what formations do they flood?

22 A. The Seven Rivers and the Queen, it would be  
23 exactly the same.

24 Q. Are these wells of yours producing from those  
25 formations also?

1 A. Yes, sir.

2 Q. So you will be going into your producing interval as  
3 far as disposal is concerned?

4 A. Yes, sir.

5 Q. And you may in effect be flooding the producing  
6 interval as well as disposing of water then?

7 A. Yes, sir, except we don't plan any make-up water.

8 Q. You would be repressuring your producing zone though  
9 with the water?

10 A. Yes, sir.

11 MR. NUTTER: Are there any further questions of  
12 Mr. Griffin? He may be excused.

13 (THEREUPON, the witness was excused.)

14 MR. NUTTER: Does anyone have any further questions?  
15 Do you have anything further, Mr. Lopez?

16 MR. LOPEZ: No, Mr. Examiner.

17 MR. NUTTER: Does anyone have anything they wish to  
18 offer in Case Number 5975? We will take the case under  
19 advisement.

20

21

22

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25

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## 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*  
Sidney F. Morrish, C.S.R.

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I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. **8975**  
heard by me on **7/6**, 19**77**.  
*[Signature]* Examiner  
New Mexico Oil Conservation Commission



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. 5975  
Order No. R-5489

APPLICATION OF BETTIS, BOYLE &  
STOVALL 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 July 6, 1977,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th 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 the applicants, Bettis, Boyle & Stovall, are the  
owner and operator of the Annie L. Christmas Well No. 1, located  
in Unit E of Section 20, Township 25 South, Range 37 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-Queen  
formation, with injection into the perforated and open-hole  
interval from approximately 2,975 feet to 3,285 feet.

(4) That the injection should be accomplished through  
2 3/8-inch plastic lined tubing installed in a packer set at  
approximately 2900 feet; that the casing-tubing annulus should  
be filled with an inert fluid; and that a pressure gauge or  
approved leak detection device should be attached to the annulus  
in order to determine leakage in the casing, tubing, or packer.

(5) That the injection well or system should be equipped  
with a pop-off valve or acceptable substitute which will limit  
the wellhead pressure on the injection well to no more than 600  
psi.



-2-

Case No. 5975  
Order No. R-5489

(6) That the operator should notify the supervisor of the Hobbs district office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(7) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

(8) 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 applicants, Bettis, Boyle & Stovall, are hereby authorized to utilize its Annie L. Christmas Well No. 1, located in Unit E of Section 20, Township 25 South, Range 37 East, NMPM, Jalmat Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers-Queen formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 2900 feet; with injection into the perforated interval from 2,975 feet to 3,005 feet and the open-hole interval from 3,212 feet to 3,285 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 shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

(2) That the injection well or system shall be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 600 psi.

(3) That the operator shall notify the supervisor of the Hobbs district office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(4) That the operator shall immediately notify the supervisor of the Commission's Hobbs district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

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

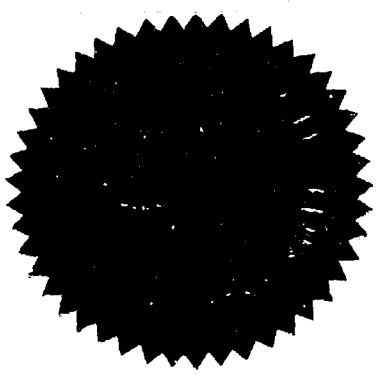
-3-

Case No. 5975  
Order No. R-5489

(6) 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

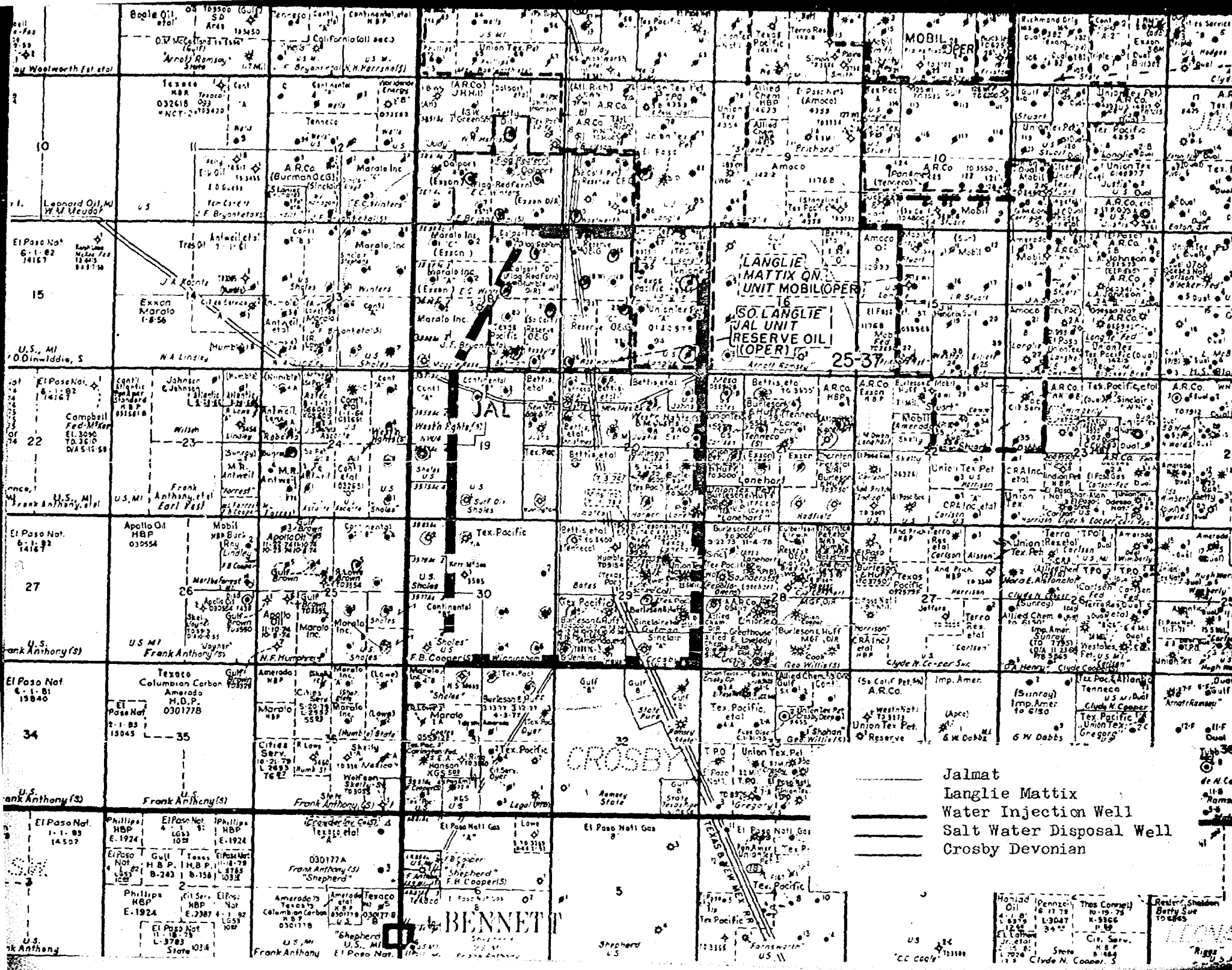
  
*Phil R. Lucero*  
PHIL R. LUCERO, Chairman

*Emery C. Arnold*  
EMERY C. ARNOLD, Member

*Joe D. Ramey*  
JOE D. RAMEY, Member & Secretary

S E A L

jr/



Jal  
Langlie Mattix  
Water Injection Well  
Salt Water Disposal Well  
Crosby Devonian

BENNETT

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HBP  
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BJ-HUGHES, Inc.

SUBJECT: Water Analysis

DEPTH:

FORMATION: Seven Rivers - Queen

Company Bettis, Boyle & Stovall Farm A.L. Christmas Well No. 1Location South of Eunice County Lea State New Mexico Date 4/20/77Pool Langlie Mattix Date Sampled 4/18/77 Submitted by Tom Griffin

SPECIFIC GRAVITY: 1.024

pH:

## PRINCIPAL CONSTITUENTS

RADICAL	PARTS PER MILLION	REACTING VALUE	
		EQUIVALENTS PER MILLION	PER CENT
SODIUM	6,925	301.1	30.4
CALCIUM	1,318	65.8	6.6
MAGNESIUM	1,562	128.4	13.0
<u>Iron</u>	<u>Nil</u>		
CHLORIDE	14,844	418.6	42.3
SULPHATE	3,125	65.0	6.6
BICARBONATE	691	11.3	1.1

PRIMARY SALINITY: 60.8

PER CENT TOTAL REACTING VALUE

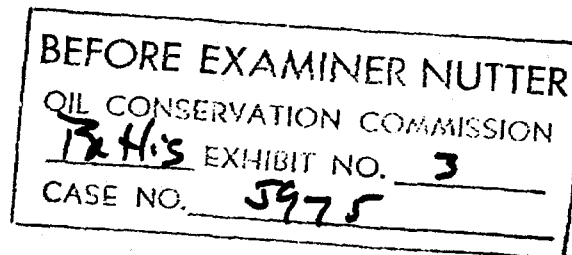
SECONDARY SALINITY: 37.0

PER CENT TOTAL REACTING VALUE

SECONDARY ALKALINITY: 2.2

PER CENT TOTAL REACTING VALUE

General Remarks:

LAB. NO. 1576DISTRICT HobbsANALYZED BY DKBDISTRIBUTION TGSigned David Barringer



BJ-HUGHES, Inc.

SUBJECT: Water Analysis  
 DEPTH:  
 FORMATION: Seven Rivers - Queen

Company Bettis, Boyle & Stovall Farm B.M. Justis Well No. 4  
 Location Jal County Lea State New Mexico Date 4/20/77  
 Pool Langlie Mattix Date Sampled 4/18/77 Submitted by Ton Griffin

SPECIFIC GRAVITY: 1.062  
 pH:

PRINCIPAL CONSTITUENTS

RADICAL	PARTS PER MILLION	EQUIVALENTS PER MILLION	PER CENT
SODIUM	17,165	746.3	28.9
CALCIUM	1,883	94.0	3.6
MAGNESIUM	5,490	451.3	17.5
<u>Iron</u>	<u>Nil</u>		
CHLORIDE	40,489	1,141.8	44.2
SULPHATE	6,591	137.1	5.3
BICARBONATE	777	12.7	0.5

PRIMARY SALINITY: 57.8

PER CENT TOTAL REACTING VALUE

SECONDARY SALINITY: 41.2

PER CENT TOTAL REACTING VALUE

SECONDARY ALKALINITY: 1.0

PER CENT TOTAL REACTING VALUE

General Remarks:

BEFORE EXAMINER NUTTER  
 OIL CONSERVATION COMMISSION  
Bettis EXHIBIT NO. ✓  
 CASE NO. 5975

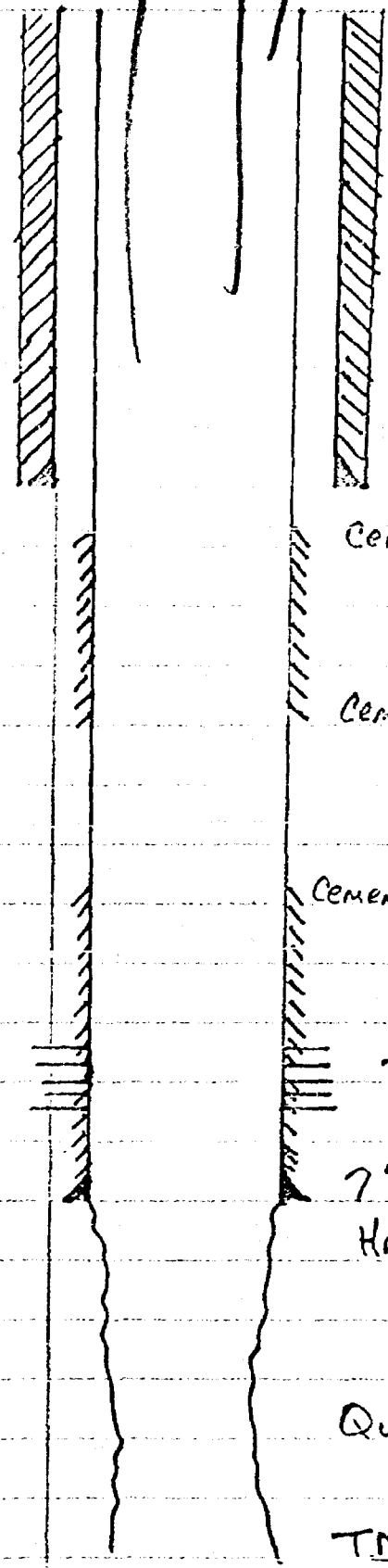
LAB. NO. 1578DISTRICT HobbsANALYZED BY DKBDISTRIBUTION TG

Signed

ANNIE L. CHRISTMAS #1  
E-20-T255-R37E

inert  
fluid

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
Re Hi's EXHIBIT NO. 5  
CASE NO. 5975



10 3/4" - 32' @ 325' w/ 200 SX. (Circulated)

Cement Top - 1000'

Cement Bottom - 1165'

Cement Top - 2556'

7 Rivers Perfs - 2975' to 3005'

7" - 20' @ 3212' w/ 350 SX. (Two-Stage  
Halliburton Tool)

Queen OPEN HOLE - 3212' to 3285'

TD - 3285'

2 3/8" 169 (fast) lined  
2900 Baker  
AD-1

2975'  
2'  
3950'

Source of fluids to be disposed of in  
ANNIE L. CHRISTMAS #1.

1. B.M. Justis Well #4

CURRENT WATER PRODUCTION - 10 BWPD

MAXIMUM WATER PRODUCTION ANTICIPATED - 120 BWPD

2. U.H. Justis Well #2

CURRENT WATER PRODUCTION - 40 BWPD

MAXIMUM WATER PRODUCTION ANTICIPATED - 150 BWPD

Anticipated Disposal Pressure - 300 psi

75 current wti prod

300 BWPD max wti prod

Dockets Nos. 24-77 and 25-77 are tentatively set for hearing on July 20 and August 3, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 6, 1977

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Starzets, Alternate Examiner:

CASE 4962: (Reopened) (Continued from June 22, 1977, Examiner Hearing)

In the matter of Case 4962 being reopened pursuant to the provisions of Order No. R-4538 which order established temporary special pool rules for the Peterson-Pennsylvanian Associated Pool, Roosevelt County, New Mexico. All interested parties may appear and show cause why said temporary special pool rules should not be rescinded.

CASE 5967: (Continued from June 22, 1977, Examiner Hearing)

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.

CASE 5971: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit John J. Moya, Fidelity & Casualty Company of New York, and all other interested parties to appear and show cause why the following wells in Township 30 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Hubbard Well No. 1 located in Unit M of Section 4; Goode Well No. 1 located in Unit P of Section 18.

CASE 5972: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Lynn & McCoy and all other interested parties to appear and show cause why the Bishop Well No. 1 located 115 feet from the South line and 200 feet from the West line of Section 15, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5973: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit G & B Oil Company, American Employers Insurance Company, and all other interested parties to appear and show cause why the Donella Well No. 1 located in Unit P of Section 3, Township 29 North, Range 15 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5974: Application of Maddox Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 9, Township 18 South, Range 26 East, Atoka-Pennsylvanian Pool, Eddy 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 5975: Application of Bettis, Boyle, & Stovall 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-Queen formation through the perforated and open-hole interval from 2,975 feet to 3,285 feet in its Annie L. Christmas Well No. 1 located in Unit E of Section 20, Township 25 South, Range 37 East, Jalmat Pool, Lea County, New Mexico.

CASE 5976: Application of Coquina Oil Corporation for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the North Burton-Pennsylvanian Gas Pool, Eddy County, New Mexico, including a provision for 320-acre proration units. In the absence of objection, this pool will be placed on the standard 320-acre spacing for Pennsylvanian gas pools, rather than the present 160-acre spacing.



Dockets Nos. 24-77 and 25-77 are tentatively set for hearing on July 20 and August 3, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 6, 1977

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

The following cases will be heard before Daniel S. Butler, Examiner, or Richard L. Starnets, Alternate Examiner:

CASE 4962: (Reopened) (Continued from June 22, 1977, Examiner Hearing)

In the matter of Case 4962 being reopened pursuant to the provisions of Order No. R-4538 which order established temporary special pool rules for the Peterson-Pennsylvanian Associated Pool, Roosevelt County, New Mexico. All interested parties may appear and show cause why said temporary special pool rules should not be rescinded.

CASE 5967: (Continued from June 22, 1977, Examiner Hearing)

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.

CASE 5971: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit John J. Moya, Fidelity & Casualty Company of New York, and all other interested parties to appear and show cause why the following wells in Township 30 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Hubbard Well No. 1 located in Unit M of Section 4; Goode Well No. 1 located in Unit P of Section 18.

CASE 5972: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Lynn & McCoy and all other interested parties to appear and show cause why the Bishop Well No. 1 located 115 feet from the South line and 200 feet from the West line of Section 15, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5973: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit G & B Oil Company, American Employers Insurance Company, and all other interested parties to appear and show cause why the Donella Well No. 1 located in Unit P of Section 3, Township 29 North, Range 15 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5974: Application of Maddox Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 9, Township 18 South, Range 26 East, Atoka-Pennsylvanian Pool, Eddy 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 5975: Application of Bettis, Boyle, & Stovall 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-Queen formation through the perforated and open-hole interval from 2,975 feet to 3,285 feet in its Annie L. Christmas Well No. 1 located in Unit E of Section 20, Township 25 South, Range 37 East, Jalmat Pool, Lea County, New Mexico.

CASE 5976: Application of Coquina Oil Corporation for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the North Burton-Pennsylvanian Gas Pool, Eddy County, New Mexico, including a provision for 320-acre proration units. In the absence of objection, this pool will be placed on the standard 320-acre spacing for Pennsylvanian gas pools, rather than the present 160-acre spacing.

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION  
OF BETTIS, BOYLE & STOVALL FOR SALT  
WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

CASE NO. 5975

A P P L I C A T I O N

Comes now the applicant, Bettis, Boyle & Stovall, by and through its attorneys, Montgomery, Andrews & Hannahs, and in support of its application for salt water disposal, states as follows:

1. Applicant is the owner and operator of the Annie L. Christmas No. 1 well located in the Southwest Quarter of the Northwest Quarter, Section 20, Township 25 South, Range 37 East, N.M.P.M., Jalmat Tansell Yates Seven Rivers-Queen Pool, Lea County, New Mexico.

2. The applicant proposes to utilize said well to dispose of produced salt water into the Seven Rivers-Queen formation with injection into the perforated interval from 2,975 feet to 3,005 feet and also into the open-hole interval from 3,212 feet to 3,285 feet.

3. That the approval of this application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

Respectfully submitted,

MONTGOMERY, ANDREWS & HANNAHS

By

*C. W. M. Lopez*

P.O. Box 2307  
Santa Fe, New Mexico 87501  
Attorneys for Applicant  
Bettis, Boyle & Stovall

DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 5975

Order No. R-5489

APPLICATION OF BETTIS, BOYLE &  
STOVALL 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 July 6, 1977,  
at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this \_\_\_\_\_ 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 the applicant, Bettis, Byle & Stovall,  
~~is~~ <sup>are</sup> the owner and operator of the Annie L. Christmas Well No. 1,  
located in Unit E of Section 20, Township 25 South,  
Range 37 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-Queen  
formation, with injection into the ~~perforated~~ <sup>hole</sup> and open interval  
from approximately 2,975 feet to 3,285 feet.

(4) That the injection should be accomplished through  
2 3/8-inch plastic lined tubing installed in a packer  
set at approximately 2900 feet; that the casing-tubing annulus  
should be filled with an inert fluid; and that a pressure gauge  
or approved leak detection device should be attached to the

annulus in order to determine leakage in the casing, tubing, or packer.

(4) That the injection well or system should be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 600 psi.

(5) That the operator should notify the supervisor of the Hobbs district office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(6) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

(7) 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, Bettis, Boyle & Stovall, <sup>are</sup> ~~is~~ hereby authorized to utilize its Annie L. Christmas Well No. 1, located in Unit E of Section 20, Township 25 South, Range 37 East, NMPM, Jalmat Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers-Queen formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 2900 feet, with injection into the perforated interval from ~~approximately~~ 2,975 feet to 3,005 ~~3,285~~ feet and the open-hole interval from 3,212 feet to 3,285 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 shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

CASE NO. \_\_\_\_\_

(2) That the injection well or system shall be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 600 psi.

(3) That the operator shall notify the supervisor of the Hobbs district office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(4) That the operator shall immediately notify the supervisor of the Commission's Hobbs district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

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

(6) 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-  
above designated.