

CASE 6188: SAM D. ARES FOR SALT  
WATER DISPOSAL, LEA COUNTY, NEW  
MEXICO

Case NO.

6188

Application

Transcripts

Small Exhibits

ETC.

Other \_\_\_\_\_

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. 6188  
Order No. R-5690

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 22, 1978, at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 4th day of April, 1978, 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 Zattu Cushing Well No. 1, located in Unit F of Section 23, Township 24 South, Range 36 East, NMPM, Jalmat Gas 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 3,465 feet to 3,497 feet.

(4) That the injection should be accomplished through 2 3/8-inch plastic lined tubing installed in a packer set at approximately 3,250 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.

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Case No. 6188  
Order No. R-5690

(5) That the injection into the disposal zone should be at a pressure no higher than hydrostatic pressure.

(6) That the operator should notify the supervisor of the Hobbs district office of the Oil Conservation Division of the New Mexico Energy and Minerals Department 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 applicant, Sam D. Ares, is hereby authorized to utilize its Zattu Cushing Well No. 1, located in Unit F of Section 23, Township 24 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 3,250 feet, with injection into the open-hole interval from approximately 3,465 feet to 3,497 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 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 in such a manner as to limit the formation injection pressure in the well to no more than hydrostatic pressure.

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

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Case No. 6188  
Order No. R-5690

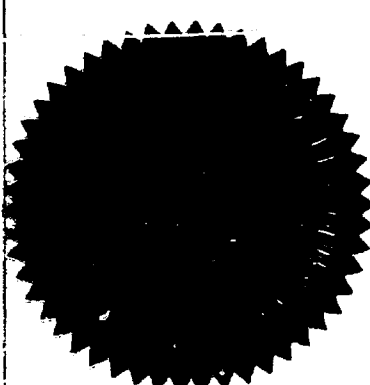
(4) That the operator shall immediately notify the supervisor of the Division's Hobbs district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

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

(6) That jurisdiction of this cause is retained for the entry of such further orders as the Division 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, Member

*Joe D. Ramey*  
JOE D. RAMEY, Member & Division Director

S E A L

dr/

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
March 22, 1978

EXAMINER HEARING

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IN THE MATTER OF: )  
 )  
Application of Sam D. Ares for salt ) CASE  
water disposal, Lea County, New ) 6188  
Mexico. )  
-----

BEFORE: Richard L. Stamets, Examiner.

TRANSCRIPT OF HEARING

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:	Jason W. Kellahin, Esq. KELLAHIN & FOX Attorneys at Law 500 Don Gaspar Avenue Santa Fe, New Mexico

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

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24

25



1 MR. STAMETS: Call the next case, Case 6188.

2 MS. TESCHENDORF: Case 6188, application of Sam D.  
3 Ares for salt water disposal, Lea County, New Mexico.

4 MR. STAMETS: Call for appearances in this case?

5 MR. KELLAHIN: If the Examiner please, Jason  
6 Kellahin, Kellahin and Fox, Santa Fe, appearing on behalf  
7 of the applicant and we have one witness to be sworn.

8 (THEREUPON, the witness was sworn.)  
9

10 H. R. HARRIS

11 was called as a witness by the applicant, and having been  
12 first duly sworn, testified upon his oath as follows, to-wit:  
13

14 DIRECT EXAMINATION

15 BY MR. KELLAHIN:

16 Q Would you state your name, please?

17 A H. R. Harris.

18 Q And where are you located, Mr. Harris?

19 A Midland, Texas.

20 Q What business are you engaged in?

21 A Well, I am the President of Saxet Oil Corporation  
22 and general operations manager.

23 Q Do you in that work do consulting work for other  
24 operators?

25 A That's correct.

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1 Q Have you ever testified before the Oil Conservation  
2 Commission or one of its Examiners and made your qualifications  
3 as an engineer a matter of record?

4 A Yes, I have.

5 MR. KELLAHIN: Are the witness' qualifications  
6 acceptable?

7 MR. STAMETS: Yes, they are.

8 Q (Mr. Kellahin continuing.) Could you state just  
9 what is proposed by the applicant in this case, Mr. Harris?

10 A Sam D. Ares wishes to apply for an application to  
11 convert an old well to a water disposal well on the Zattu-  
12 Cushing Lease in Lea County.

13 Q Now, have you made a study of the proposal and  
14 prepared exhibits in connection with that?

15 A That's correct.

16 Q Referring to what has been marked as Applicant's  
17 Exhibit Number One, would you identify that exhibit, please?

18 A Exhibit Number One is an exhibit prepared under  
19 my direction of the surrounding wells surrounding this Sam  
20 D. Ares Zattu-Cushing Lease and shows the various casing  
21 programs and so forth.

22 Q This is Exhibit One --

23 A Oh, is this One? Well, my list has --

24 Q This is Exhibit One and would you identify that,  
25 please?

1 A It is a land plat indicating the wells around the  
2 Same D. Ares Cushing Lease showing the various producing  
3 formations.

4 Q What is the radius of the circle of study?

5 A That's a half-mile radius.

6 Q Now, referring to Exhibit Number Two, that is  
7 the tabulation showing on those wells?

8 A That's correct.

9 Q Do you have anything to state in connection with  
10 Exhibit Number Two?

11 A No, I think I have pretty well outlined it.

12 Q Now, referring to what has been marked as Exhibit  
13 Number Three, would you identify that exhibit, please?

14 A It's a schematic drawing of the casing programs and  
15 the various perforations in the wells surrounding the Cushing  
16 Lease.

17 MR. STAMETS: I have got some problems with my  
18 copies, now. The tabulation is Exhibit Two and the schematics  
19 are Three?

20 MR. KELLAHIN: Yes, that's correct.

21 Q (Mr. Kellahin continuing.) Exhibit Four is --

22 A Number Four is the gamma ray neutron log on this  
23 well showing the various formations.

24 Q Now, Number Five, would you identify that exhibit?

25 A Number Five is a cement bond log indicating the

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1 condition of the cement behind the oil string casing.

2 Q Does that appear to show the cement bond is good  
3 and will protect the horizon behind the pipe?

4 A That's true. It indicates as far as we can tell  
5 that it does have a good bond.

6 Q Now, Exhibit Number Six, would you identify that  
7 exhibit?

8 A Now, this is a schematic drawing of the proposed  
9 disposal well in which we indicate where we will set our  
10 plastic lined tubing on a packer and dispose of the produced  
11 water through an open hole below the shoe of the six and  
12 five-eighths casing at thirty-four sixty-five to a total  
13 depth of thirty-five oh five.

14 Q What formation will that be going into, then?

15 A It will be going into the lower water bearing zone  
16 of the Seven Rivers.

17 Q Is that the same formation in which the produced  
18 water is coming from, the upper portion?

19 A The production and the water will be coming from  
20 the upper very top of the Seven Rivers and we will be re-  
21 injecting it into the very bottom of that.

22 Q That has been done throughout this area has it not?

23 A It is being done now and has been the common  
24 practice out there to dispose of your produced water.

25 Q Will you use a plastic lined tubing?

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1 A. Yes.

2 Q Do you propose to fill the casing tubing annulus  
3 with an inert fluid?

4 A. Two percent KCL with a corrosion inhibitor.

5 Q And will you set a pressure gauge at the surface?

6 A. Correct.

7 Q That will assure -- you will know if there are any  
8 leaks that will occur in the tubing, is that correct?

9 A. That's correct.

10 Q Now, Exhibit Number Seven, will you identify that  
11 exhibit, please?

12 A. This is a water analysis on the produced water.

13 Q Who prepared that water analysis?

14 A. I don't have a copy of that. Do you have a copy  
15 of that?

16 Q No.

17 MR. STAMETS: The top of mine says ABJ Laboratories

18 A. Oh, that's Byran Jackson, yes. That's who prepared  
19 it.

20 Q (Mr. Kellahin continuing.) Exhibits Eight and Nine,  
21 would you identify those, please?

22 A. After filing our application we were advised that  
23 we should investigate the water in the ranchers' water wells  
24 in the area. We obtained samples of the Cooper water well  
25 which is located on the Cooper property, in fact, in the old

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1 Cooper-Jal Cemetery and that well is approximately one hundred  
2 and eighty feet deep and according to Mr. Cooper it penetrated  
3 the red bed approximately ten feet and is very good water.

4 Q And Exhibit Nine is?

5 A Exhibit Nine is a water well on the Post property  
6 and it is -- total depth six hundred and fifty feet and  
7 producing from the Santa Rosa formation and it looks like it  
8 is pretty good water. Both of these wells have been out  
9 there for years.

10 Q How close are they to your proposed disposal well,  
11 approximately?

12 A They are at least a half a mile from the disposal  
13 well.

14 Q In excess of half a mile?

15 A Their location is shown on the analysis -- let's  
16 see -- the Cooper well will be over a half a mile and so  
17 will the Johnny Post well.

18 Q Now, referring to what has been marked as Exhibit  
19 Number Ten, a cross section, will you discuss that exhibit,  
20 please?

21 A Well, in order to get an idea just how the Seven  
22 Rivers and the Yates formations -- this is an east-west cross  
23 section indicating the top of the Yates formation and the  
24 top of the Seven Rivers formation and it indicates that the  
25 TP Well No. 4 Cooper appears to be on the peak of the Yates

1 and the Seven Rivers tops. The highest well in the area.

2 The Sam D. Ares No. 2 Well, which is the present  
3 producing well, is down dip slightly and the No. 1 Well dropped  
4 off considerably on the top of the Yates and the Seven Rivers.

5 Q Now, that is the proposed disposal well?

6 A That will be the disposal well and by disposing of  
7 this water I don't see any possibility of contaminating any  
8 other producing zones or anything of that type.

9 Of course, as you go further west, why, the Reese  
10 and Yates continue to drop off.

11 Q Now, referring to Exhibit Number Ten, would you  
12 identify that exhibit?

13 A Which one is that?

14 Q Number Eleven, I am sorry.

15 A This is a proposal of the estimated amount of water  
16 to be disposed of in volume. Now, the Sam D. Ares well will  
17 have approximately eight hundred and fifty barrels a day when  
18 it is completed in the lower zone. It is presently completed  
19 as a gas well and we had to do that because we didn't have  
20 a disposal well available.

21 So, we plugged it back. It was originally completed  
22 as an oil well but it was making so much water and the cost  
23 of hauling that water, which is forty-eight cents a barrel,  
24 was prohibitive to continue to produce a small oil well.

25 So, it was plugged back and it is now making

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1 approximately four hundred and fifty barrels of water per  
2 month and we are hauling that water at this time. That's  
3 primarily the reason for converting this well to a disposal  
4 well.

5 Then, we can recomplete this well in the lower  
6 zone and pick up our oil and gas. It is making no oil now.

7 Q Will that enable Sam Ares to produce oil that  
8 would not otherwise be recovered?

9 A That's right. We are not producing any oil right  
10 now.

11 Q And it will prolong the life of this well, is that  
12 correct?

13 A That's correct. TP and Phillips who have offset  
14 wells are producing this oil at this time which we have a  
15 forty acre lease there and we feel like they are draining  
16 our oil.

17 Q What are they doing with their water?

18 A Phillips has their own water disposal well similar  
19 to what -- they are disposing under the same system that we  
20 are proposing.

21 Q In the same zone?

22 A Same zone. Now, TP at present is hauling their water  
23 and when we first proposed this we talked to them and they  
24 indicated that they wanted to use the facilities and estimated  
25 that they would have approximately fifteen hundred barrels of

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1 oil per day.

2 Q Is that shown on Exhibit Number Eleven?

3 A Right.

4 Q What is the total you have on the estimated amount  
5 of water to be disposed of?

6 A Two thousand three hundred fifty barrels per day.

7 Q What kind of pressure do you anticipate there will  
8 be on this well to take that amount of water?

9 A It will be on a vacuum.

10 Q As the well is completed and as the offset wells  
11 are completed and cemented do you see any possibility of  
12 contamination of either producing zones or other zones  
13 including fresh water?

14 A I do not.

15 Q Were Exhibits One through Eleven prepared by you  
16 or under your supervision?

17 A That's correct.

18 MR. KELLAHIN: At this time we offer Exhibits One  
19 through Eleven.

20 MR. STAMETS: These exhibits will be admitted.

21 MR. KELLAHIN: That's all we have, Mr. Stamets.

22

23 CROSS EXAMINATION

24 BY MR. STAMETS:

25 Q Mr. Harris, on Exhibit Number Six, which is the

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1 schematic of the injection well, there are two sets of  
2 perforations shown above the packer?

3 A. That's correct.

4 Q. Have these been squeezed?

5 A. They haven't but they will be when we see -- see,  
6 we haven't done anything to this well. Of course, the first  
7 thing that we will do is we will go in and squeeze off all  
8 of our upper perforations and cleanout to TD. At the present  
9 time it is plugged back to thirty-four ninety-seven, and  
10 we will cleanout to total depth, thirty-five oh five, and  
11 establish our rate of disposal.

12 Then, proceed to run our plastic coated tubing and  
13 packer and fill our annulus with KCL water and a corrosion  
14 inhibitor.

15 Q. Now, the cross section, Exhibit Number Ten, indicates  
16 that this is an old producing zone. When was this abandoned?

17 A. It was abandoned, the lower zone open hole, it was  
18 abandoned, oh, I would say -- we were not operating it when  
19 it was abandoned.

20 When Sam Ares acquired it, it wasn't producing then.  
21 Mobile Oil or the old Magnolia Petroleum had it originally  
22 and they first produced the lower zone and then plugged it  
23 back. They did this plug-back here to thirty-four ninety-  
24 seven -- the cement and so forth -- and produced the open hole  
25 there for awhile and then it got down to where it was making

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1 all water and no oil and they eventually sold the lease to  
2 Sam D. Ares.

3 Q Is this a deeper zone than most of the wells in the  
4 area are producing from?

5 A Yes. The open hole zone is the old original pay  
6 that they had out there which has been turned to water on  
7 all of the wells. At this time all of the companies are  
8 either perforating the Yates, the Yates Dolomite, or the very  
9 extreme top of the Seven Rivers.

10 Sometimes if you have got a good cement job you can  
11 perforate that very top porosity and then you can get a well  
12 that will produce I'll say twenty to thirty percent oil and  
13 the rest water.

14 Now, Phillips is running Rita pumps out there which  
15 produce twenty-eight to three thousand barrels a day and  
16 of course moving a lot of oil.

17 But if it wasn't for the fact that you can dispose  
18 into the lower reef on a vacuum, it would be hard to justify  
19 the economics of pumping some of those wells.

20 Q So, Phillips is actually producing this zone in  
21 this general vicinity?

22 A The very top of the Seven Rivers, not the lower  
23 zone that we are injecting. As far as I know, no one is  
24 producing the lower zone because it is all water.

25 Q Now, Mr. Harris, I am looking at Exhibit Number

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1 Three, and just taking the top one, for example, we have  
2 got a five-sack cement plug in the base of some seven inch  
3 pipe there at about thirty-four seventy-five, and if  
4 this were a high-pressure injection system that might be  
5 a little suspect in itself.

6 If you have got a vacuum system out there perhaps  
7 an inadequate plug like this would it cause any problem?

8 A I wouldn't think so. They have been injecting in  
9 this zone down on the Ogg Lease and Sam Ares has another  
10 disposal well already been there for several years and we  
11 just haven't encountered any on a vacuum, it is just gone.

12 Q So, you really don't anticipate any injection pressure  
13 at all and if the order that was issued limited you to  
14 injection on a vacuum you would be satisfied?

15 A That's correct.

16 MR. STAMETS: Any other questions of the witness?

17 He may be excused. Anything further in this case?

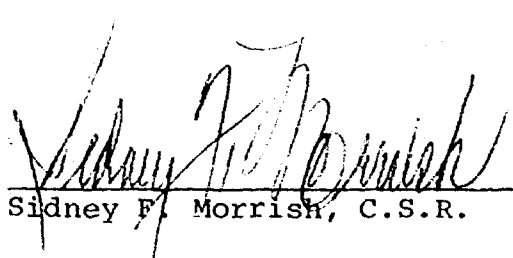
18 MR. KELLAHIN: That's all.

19 MR. STAMETS: The case will be taken under  
20 advisement.

21 (THEREUPON, the case was concluded.)  
22  
23  
24  
25

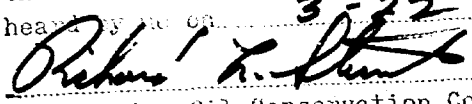
## REPORTER'S CERTIFICATE

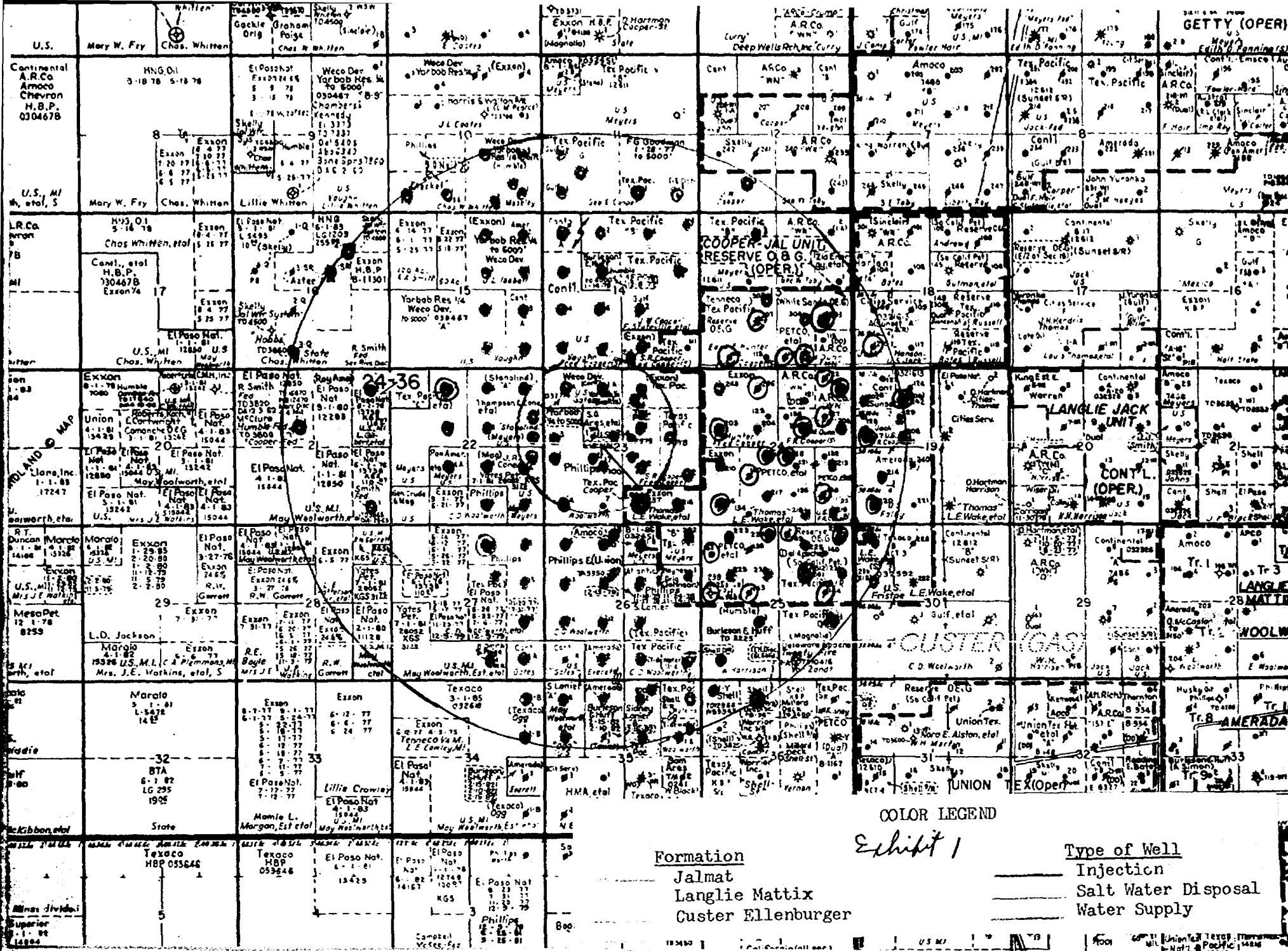
I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,  
do hereby certify that the foregoing and attached Transcript  
of Hearing before the New Mexico Oil Conservation Commission  
was reported by me, and the same is a true and correct record  
of the said proceedings to the best of my knowledge, skill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

  
Sidney F. Morrish, C.S.R.

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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. 6188,  
heard by me on 3-22-19 78.

, Examiner  
New Mexico Oil Conservation Commission



Formation

Jalmat  
Langlie Mattix  
Custer Ellenburger

Exhibit 1

Type of Well

Injection  
Salt Water Disposal  
Water Supply

BEFORE EXAMINER STATES  
OIL CONSERVATION COMMISSION

EXHIBIT NO. 2

CASE NO. 4193

Submitted by R. Williams

Hearing Date 3-22-78 Well No. 1

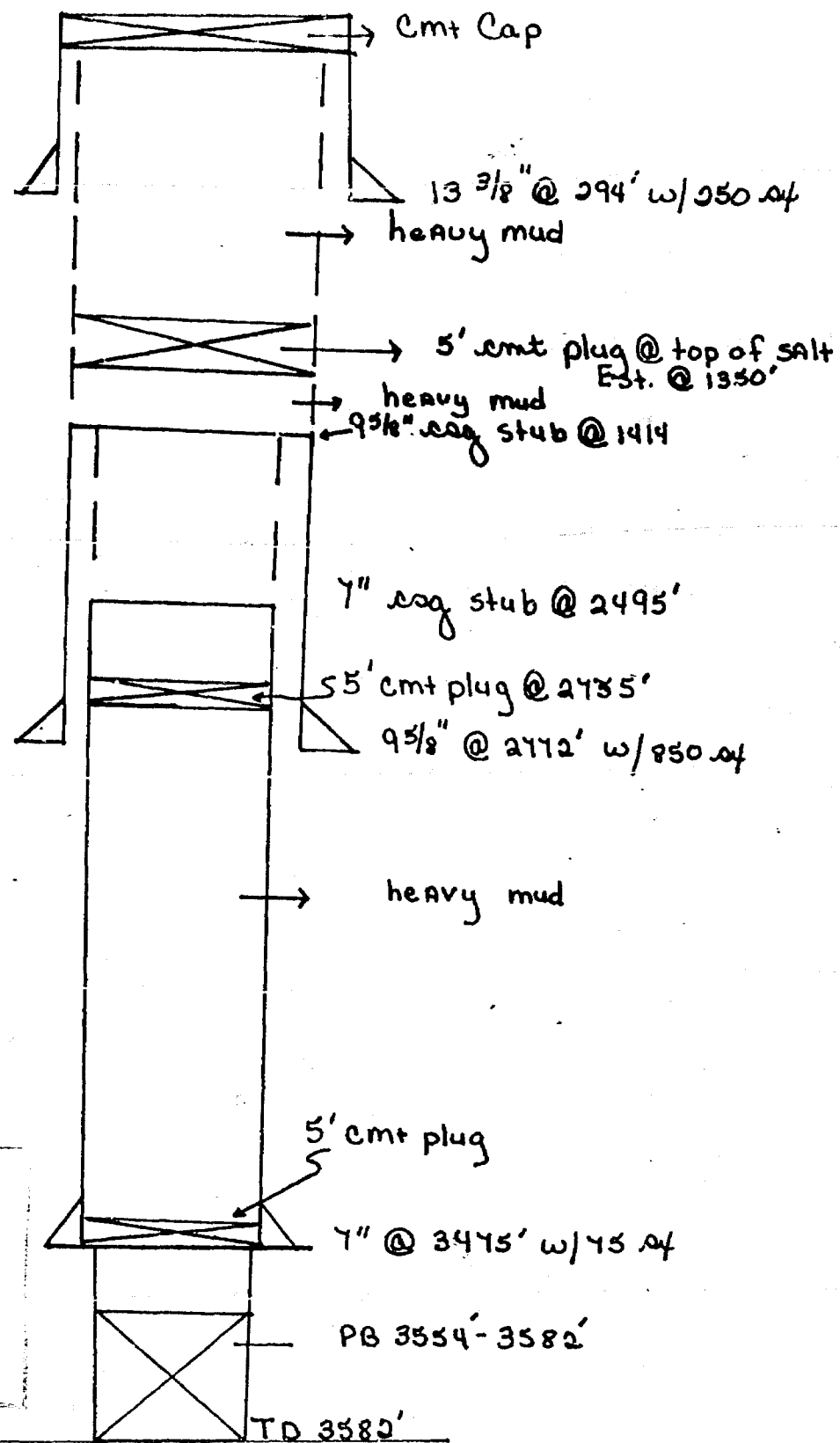
Operator

A TABULATION  
OF WELLS WITHIN 1/2 - MILE  
OF  
SAM D. ARES - ZATU CUSHING NO. 1

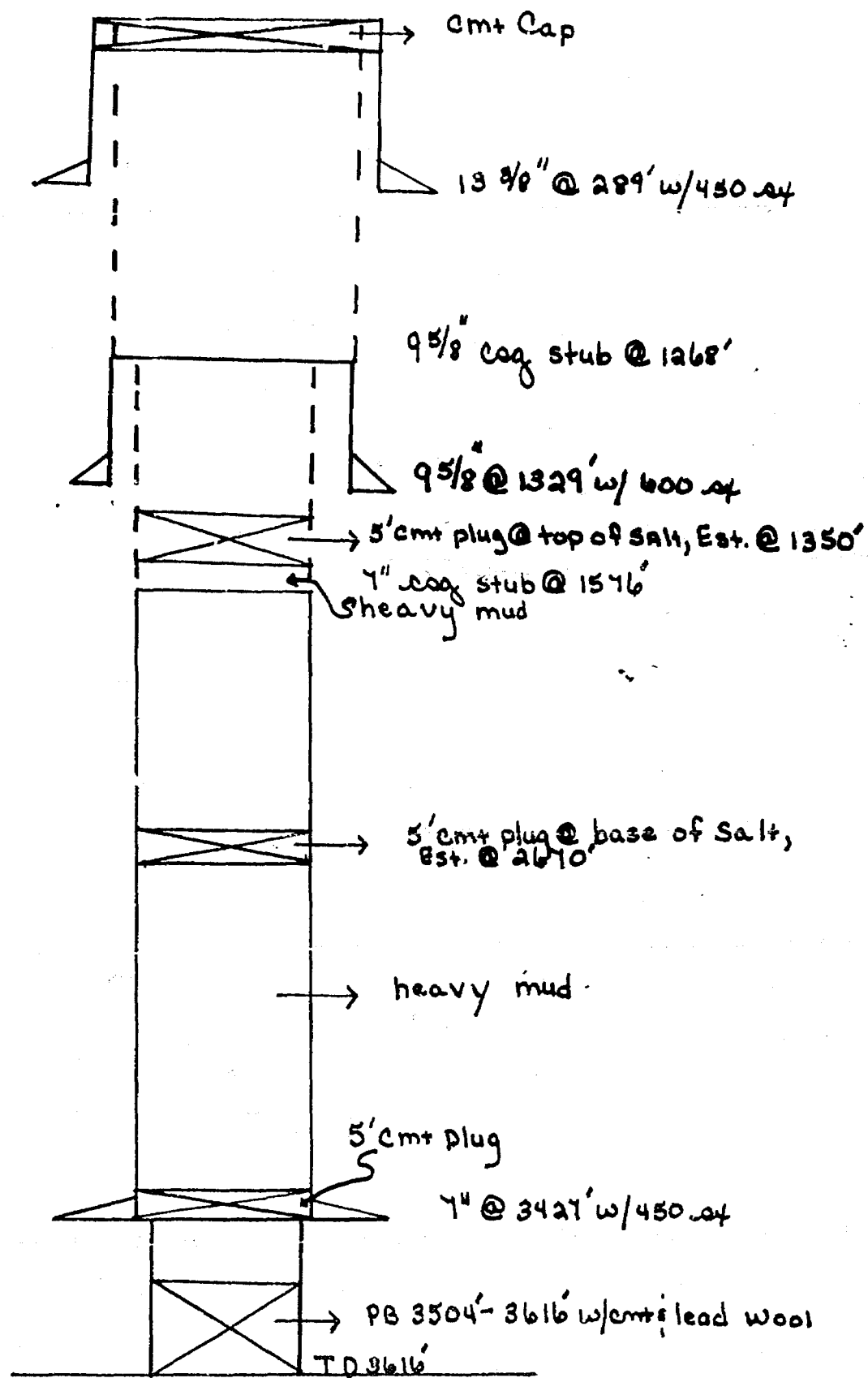
Operator		Hearing Date	3-22-78	Well No.	Unit	Casing	Depth Set	Sacks Cement	Cement Top	Total Depth	Producing Interval	Footage
Sam D. Ares	Zattu Cushing	2	F	8 5/8 5 1/2	444 3230	175 550	Circ 2200	3234	3172 - 3176	2310 FNL & 2310 FWL, 23-24S-36E		
Continental Oil	Gates A-23	1	C	13 3/8 9 5/8 7	258 1689 3470	150 600 400	Circ 400 2675	3515	OH 3470-3515	660 FNL & 1980 FWL, 23-24S-36E		
Gulf Oil	S. R. Cooper	1	G	13 3/8 9 5/8 7	294 2772 3475	250 850 75	Circ 1414 2495	3582	OH 3475-3582	1980 FNL & 1980 FWL, 23-24S-36E		
Gulf Oil	S. R. Cooper	2	J	13 9 5/8 7	289 1329 3427	250 600 450	Circ 1268 1576	3616	3130-3230 3230-3616	1980 FSL & 1980 FWL, 23-24S-36E		
Humble Oil	S. R. Cooper	1	B	12 1/2 9 5/8 7	316 2764 3535	175 650 200	Circ Circ 1810	3572	3559-3572	660 FNL & 1980 FWL, 23-24S-36E		
Phillips Pet.	C. D. Woolworth	1	L	12 1/2 9 5/8 7	317 1415 3445	300 300 300	Circ 408 2661	3503	OH 3445-3503	2310 FSL & 330 FWL, 23-24S-36E		
Phillips Pet.	C. D. Woolworth	2	K	12 1/2 9 5/8 7	305 1401 3468	275 200 200	Circ 331 2361	3503	OH 3462-3503	2310 FSL & 1650 FWL, 23-24S-36E		
Phillips Pet.	C. D. Woolworth	3	E	12 1/2 9 5/8 7	303 1390 3468	200 300 300	Circ 951 2408	3512	OH 3468-3512	2310 FNL & 339 FWL, 23-24S-36E		
Phillips Pet.	C. D. Woolworth	7	N	12 1/2 7 5/8 5 1/2	213 2900 3472	150 700 100	Circ Circ 2275	3500	OH 3472-3500	660.4 FSL & 1990 FWL, 23-24-36E		

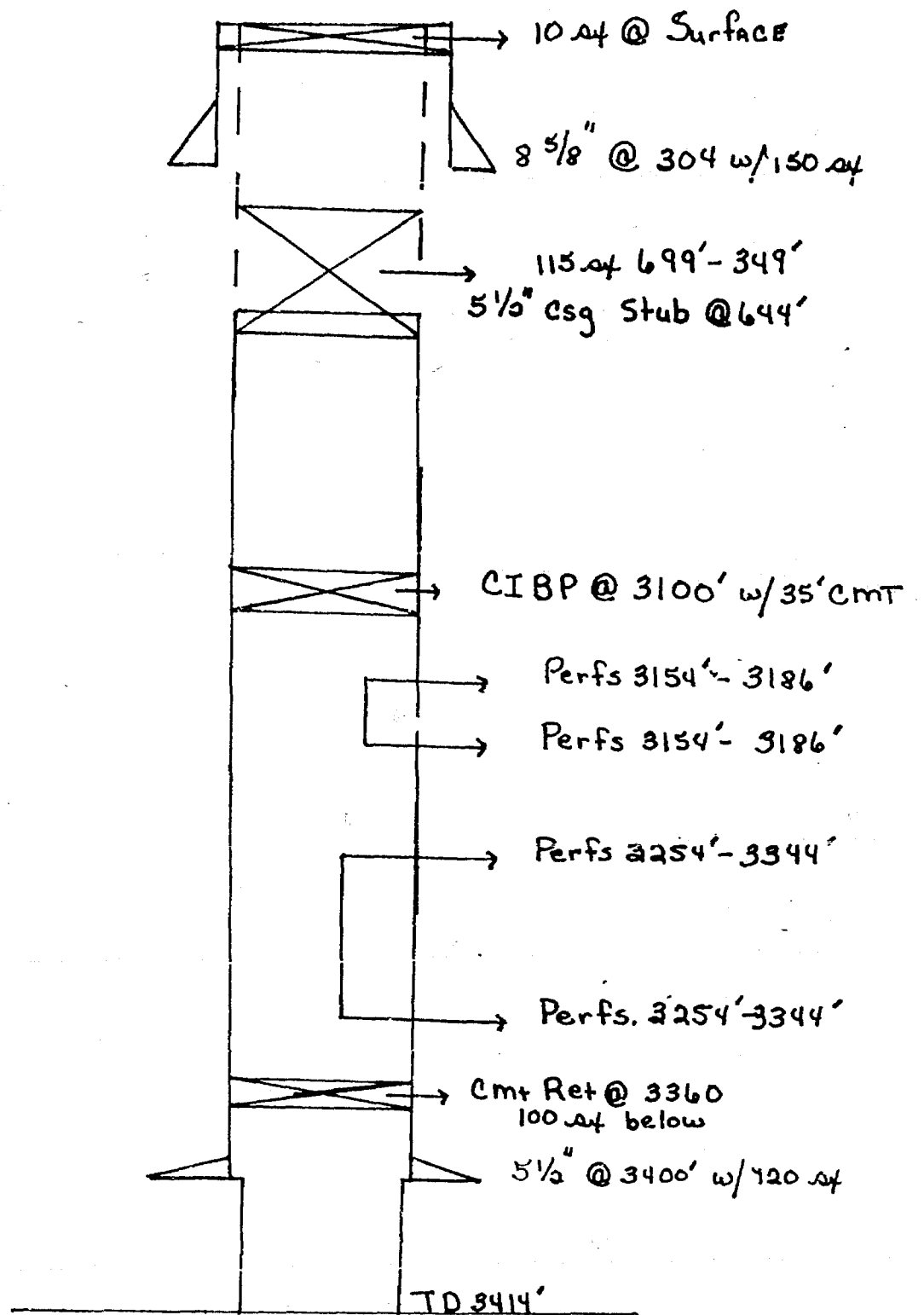
Operator	Lease	Well No. Unit	Casing	Depth Set	Sacks Cement	Cement Top	Total Depth	Producing Interval	Footage
Phillips Pet.	C. D. Woolworth	17 K	8 5/8 5 1/2	419 3192	300 300	Circ 2200	3192	3152-3157	1980 FSL & 1980 FWL, 23-24S-36E
Reserve Oil & Gas	Cooper Jai Unit	237 O	13 3/8 9 5/8 7	308 2789 3470	130 800 175	Circ Circ 1953	3602	OH 3470-3602	660 FSL & 1980 FEL, 23-24S-36E
Texas Pacific	S. R. Cooper	3 J	8 5/8 5 1/2	1245 3300	750 400	Circ 1000	3300	3124-3149	2310 FSL & 2310 FEL, 23-24S-36E
Texas Pacific	S. R. Cooper	4 G	13 3/8	40	Redi-Mix Surface 600	Circ			
			9 5/8 5 1/2	1266 3302	950	Circ	3302	3106-3175	2310 FNL & 2310 FEL, 23-24S-36E
Texas Pacific	S. R. Cooper "A"	1 B	13 3/8	40	Redi-Mix Surface 650	Circ			
			8 5/8 2 3/8	1239 3043	1250	Circ	3300	3106-3166	990 FNL & 2610 FEL, 23-24S-36E
Worldwide Energy	R. L. Gates	1 D	10 3/4 7 5/8 5 1/2	250 1840 3450	300 500 400	Circ Circ Circ	3514	3500-3510	660 FNL & 660 FWL, 23-24S-36E
J. R. Core	Mobil Myers	4 I	8 5/8 5 1/2	304 3400	150 720	Circ 644	3414	OH 3400-14	1980 FSL & 660 FEL, 22-24S-36E
Scovoy Mobil Oil	Myers Permit	1 I	10 8 5/8 6 5/8	1315 2968 3498	100 150 75	411 1380 2105		Perf- 3116-3455 OH 3498-3509	2310 FSL & 330 FEL, 22-24S-36E
Stanolind Oil	Myers "A"	1 H	16 9 5/8 7	240 2985 3472	175 225 150	Circ 450 2040	3514	OH 3472-3514	2310 FNL & 330 FEL, 22-24S-36E
Thompson & Core	Pan-American Myers	1 H	8 5/8 5 1/2	286 3573	200 400	Circ 2490	3501	3250-3360	1650 FNL & 330 FEL, 22-24S-36E



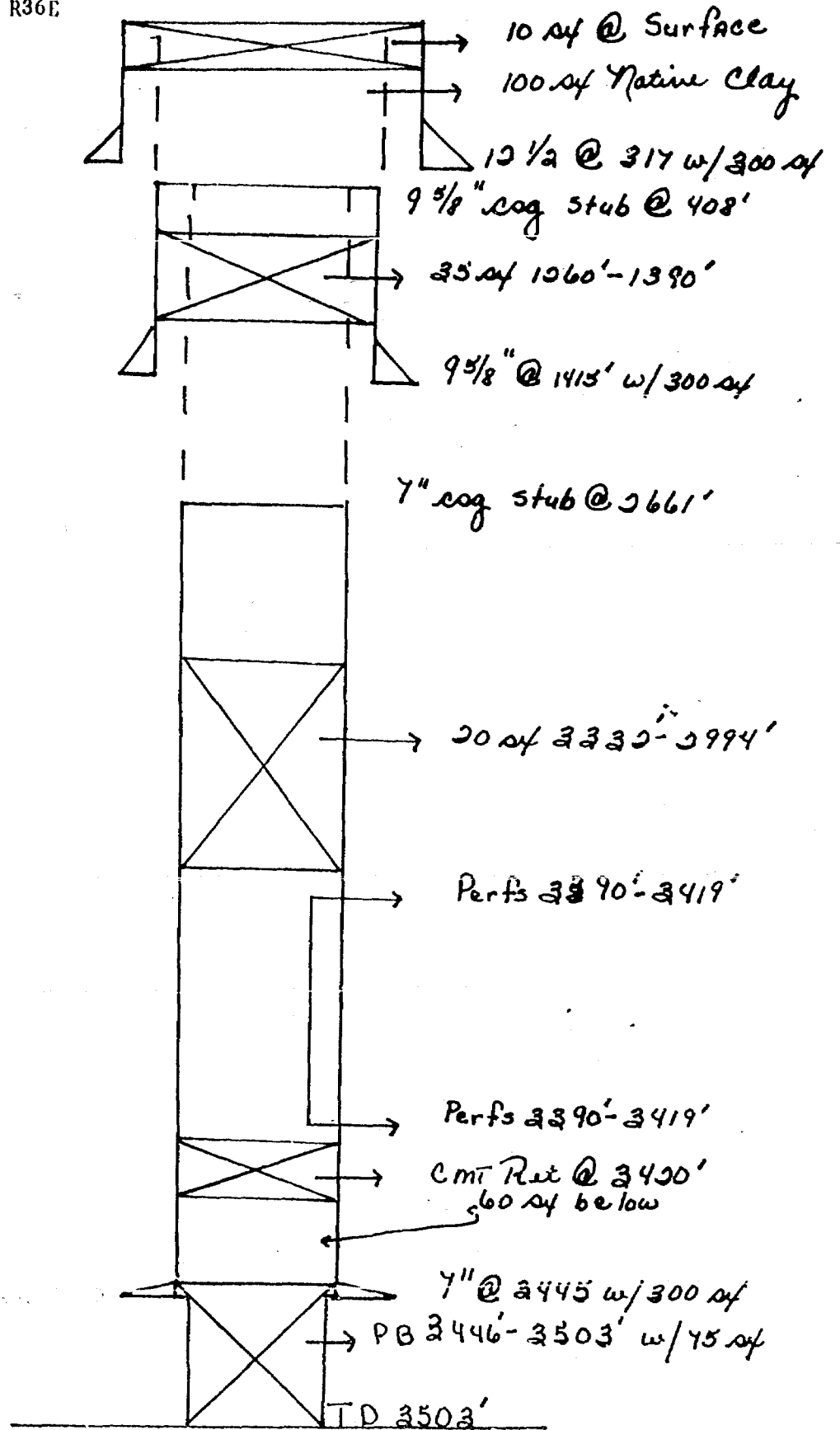


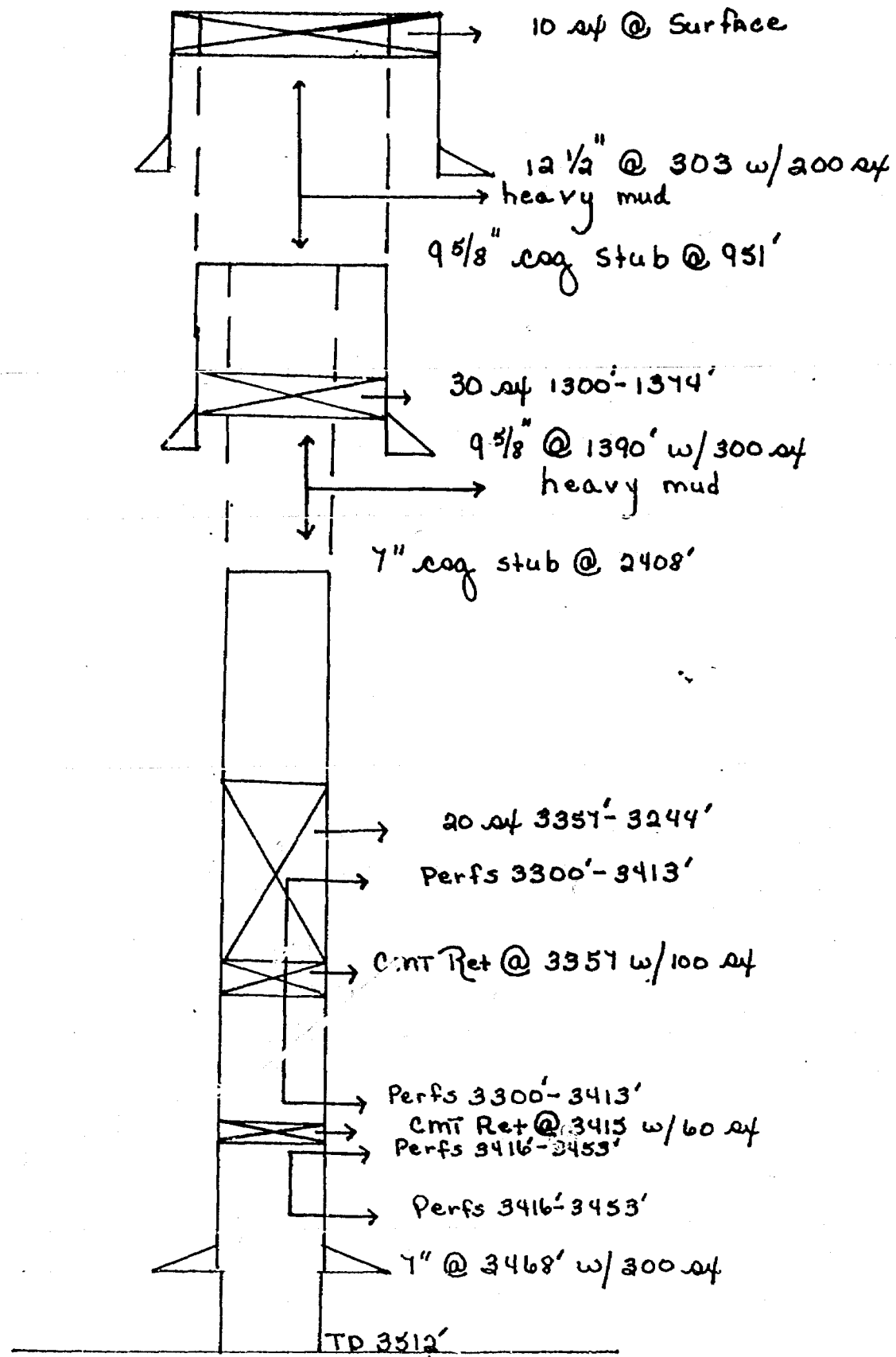
BEFORE EXAMINER STAMETS  
 OIL CONSERVATION COMMISSION  
           EXHIBIT NO. 3  
 CASE NO. 6188  
 Submitted by R. Harris  
 Hearing Date 3-22-78



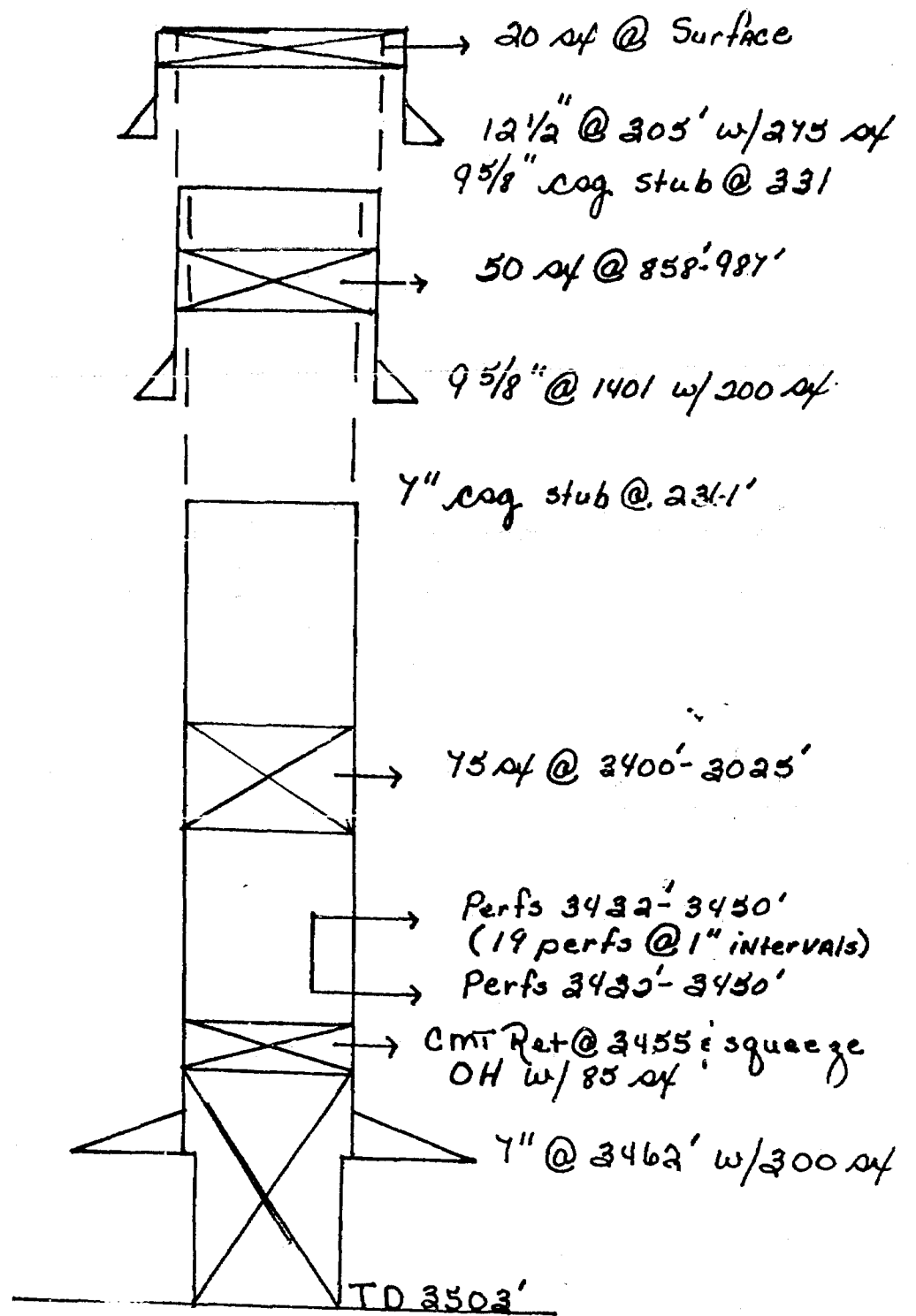


Phillips Pet. Co., C.D. Woodward #1  
Unit L, Sec 23, T24S, R36E  
2310 FSL & 330 FWL  
P&A 1/20/42

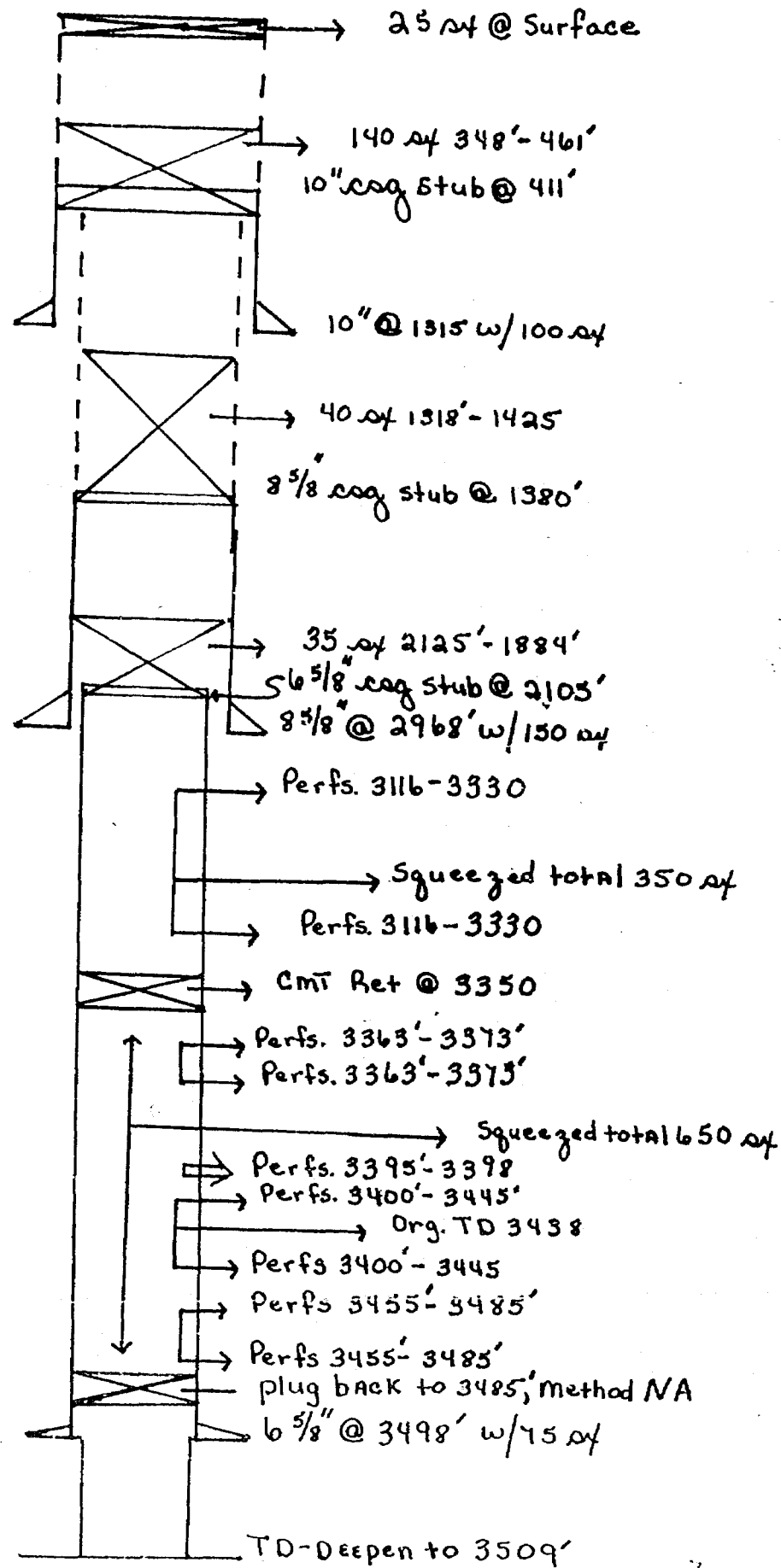


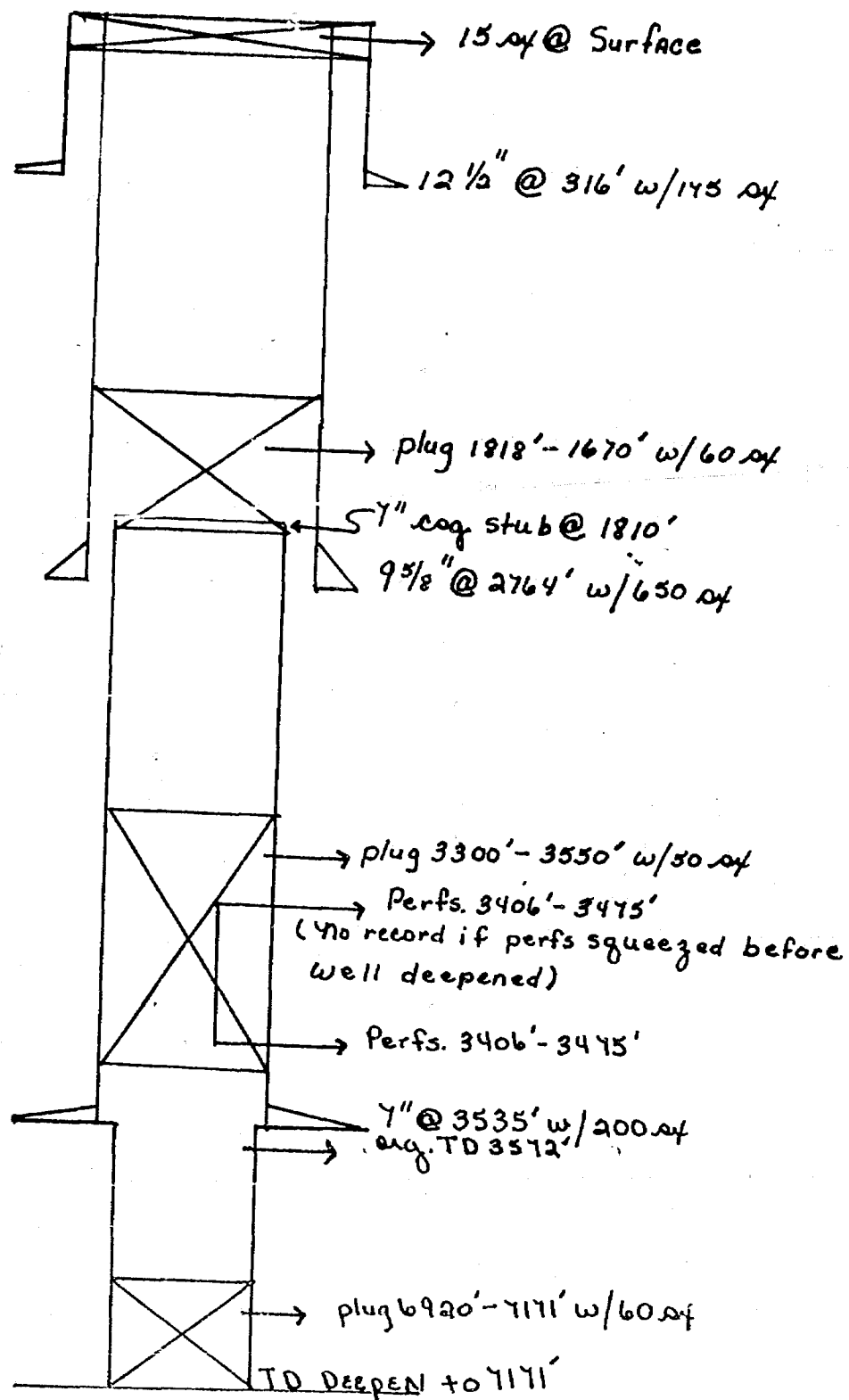


Phillips Pet. Co., U.D. No. 10011011 #2  
Unit K, Sec 23, T24S, R36E  
2310 FSL & 1650 FWL  
P&A 2/15/45

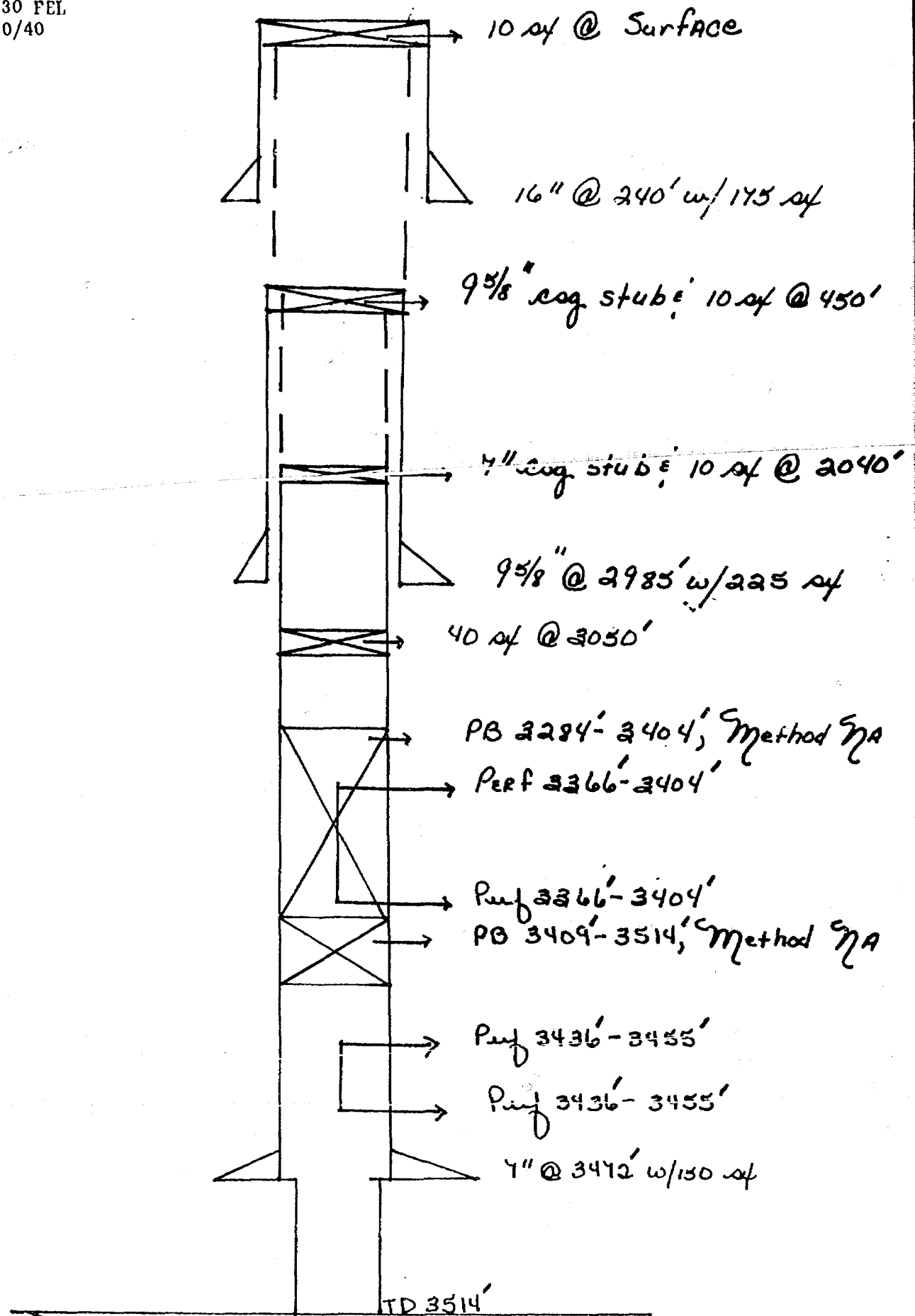


Seely Mobil Oil Company, Inc., Myers Permit #1  
Unit I, Sec 22, T24S, R36E  
2310 FSL & 330 FEL  
P&A 2/15/64

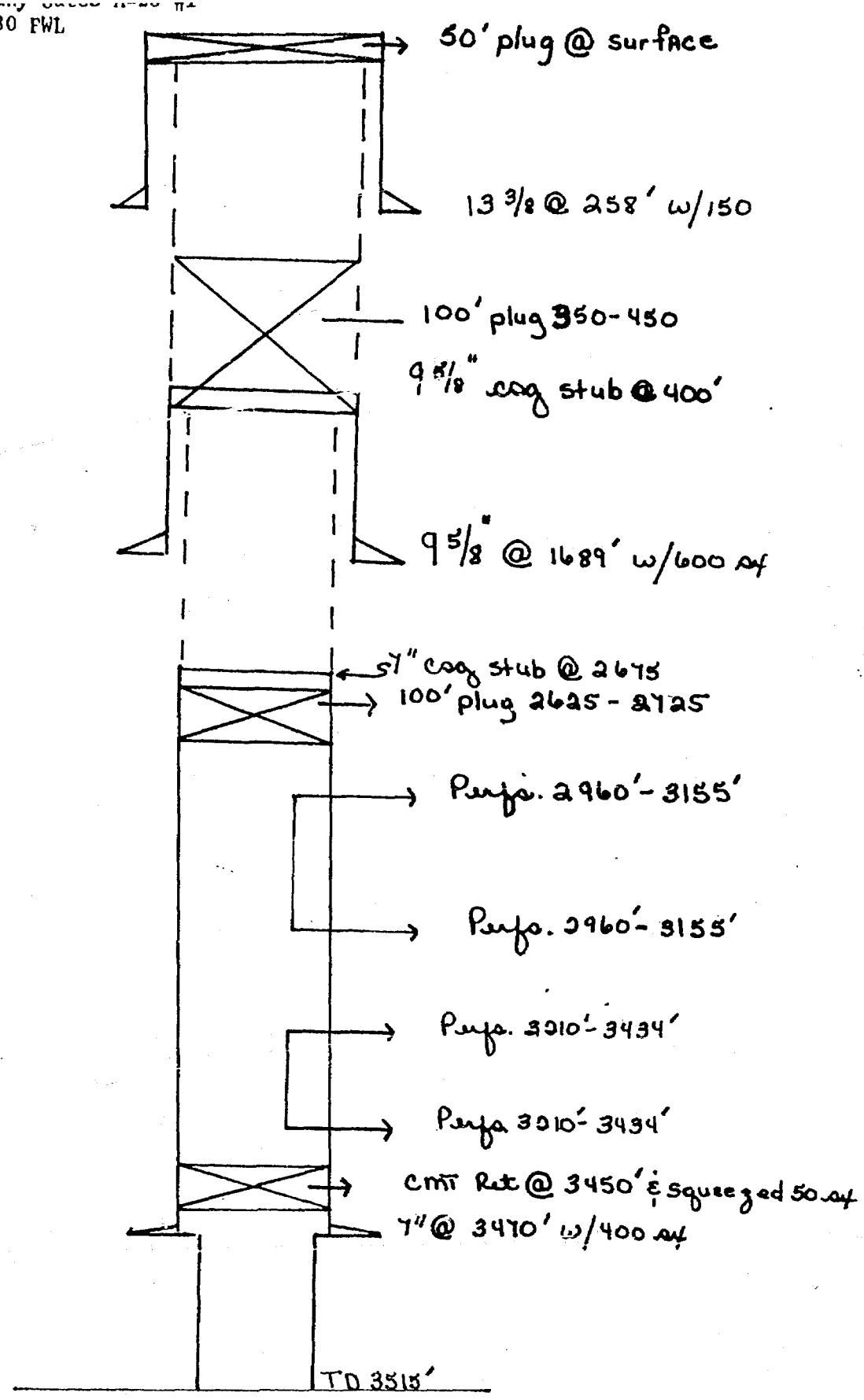




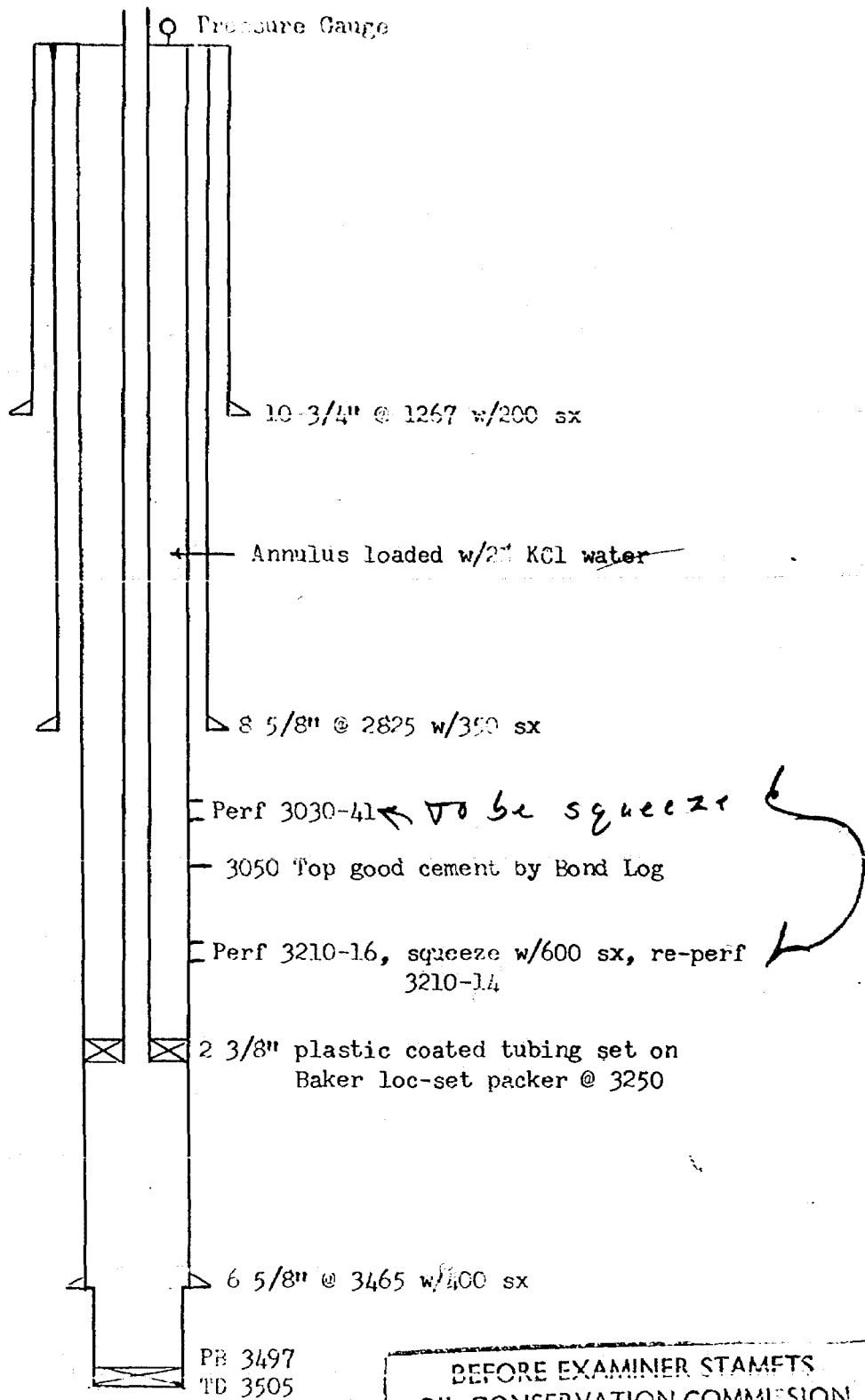




Unit C, 660 FNL & 1980 FWL  
Sec 23, T24S, R36E  
P&A 7/3/47



Sam D. Ares  
Zattu Cushing No. 1  
2310' FNL - 1650' FWL  
Sec. 23, T24S, R36E



Proposed Salt Water Disposal Well

BEFORE EXAMINER STAMETS	
OIL CONSERVATION COMMISSION	
<u>ares</u>	EXHIBIT NO. <u>6</u>
CASE NO. <u>6188</u>	
Submitted by <u>R. Harris</u>	
Hearing Date <u>3-22-78</u>	

BYRON JACKSON INC

SUBJECT : WATER ANALYSIS  
FORMATION : YATES

COMPANY: SAXETT

LEASE: --- *Zatto Cushing*

WELL NO: 1

WELL DEPTH: 3200. FEET

COUNTY: LEA

STATE: ~~TEXAS~~ <sup>NM</sup>

FIELD: CUSHING

BJ REP: JOE BURCHFIELD

DATE: 8-21-73

SPECIFIC GRAVITY: 1.008  
PH : 7.40

## PRINCIPAL CONSTITUENTS

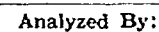
RADICAL	PARTS PER MILLION	REACTING VALUE	
		EQUIVALENTS PER MILLION	PERCENT
SODIUM	1704.	74.41	29.87
CALCIUM	474.	23.64	9.49
MAGNESIUM	314.	25.81	10.36
IRON	20.	0.71	0.29
CHLORIDE	2579.	72.74	29.20
SULFATE	1587.	33.02	13.25
BICARBONATE	1147.	18.82	7.55
CARBONATE	0.	0.	0.
HYDROXIDE	0.	0.	0.

REACTION VALUE	
	PERCENT
PRIMARY SALINITY :	59.73
SECONDARY SALINITY :	25.16
PRIMARY ALKALINITY :	0.
SECONDARY ALKALINITY :	15.11

GENERAL REMARKS:

BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION  
ans EXHIBIT NO. 7  
CASE NO. 6188  
Submitted by R. Harris  
Hearing Date 3-22-78

LAB. NO. : 7027  
DISTRICT : ODESSA  
ANALYZED BY : JKP  
DISTRIBUTION: JBSIGNED *J. K. Parker*





# WOLF PETRO LAB, INC.

DIAL EMERSON 6-9701  
DIAL EMERSON 6-7171

2411 WEST 42ND STREET

P. O. BOX 643  
ODESSA, TEXAS  
79760

## WATER ANALYSIS

Saxet Oil  
Corporation  
Charge  
Test No. WPL-78-230  
Date of Run 3-5-78  
Date Received 3-3-78

A Sample of Water from Water Well - Post Property - Located in the NE/4, Sec.22,  
T-24-S, R-36-E, - TD-650', Producing From the Santa Rosa Formation.

Secured from \_\_\_\_\_

At Lea County, New Mexico Secured by S. Ares

Purpose \_\_\_\_\_ Time \_\_\_\_\_ Date \_\_\_\_\_

Sampling Conditions: \_\_\_\_\_

### CONSTITUENTS REPORTED AS PARTS PER MILLION UNLESS OTHERWISE SPECIFIED

P Alkalinity - - CaCO <sub>3</sub>	<u>5</u>	Dissolved Oxygen - - O <sub>2</sub>	_____
Total Alkalinity - - CaCO <sub>3</sub>	<u>260</u>	Free Carbon Dioxide - - CO <sub>2</sub>	<u>0</u>
Chloride - - Cl	<u>105</u>	Hydrogen Sulfide - - H <sub>2</sub> S	<u>0</u>
Calcium - - Ca CO <sub>3</sub>	<u>155</u>	Chromate - - CrO <sub>4</sub>	_____
Magnesium - - Mg CO <sub>3</sub>	<u>55</u>	Manganese - - Mn	_____
Sulfate - - SO <sub>4</sub>	<u>550</u>	Sodium - - Na	<u>337</u>
Total Hardness - - CaCO <sub>3</sub>	<u>210</u>	Carbonate - - CO <sub>3</sub>	<u>1</u>
Silica - - SiO <sub>2</sub>	_____	Bicarbonate - - HCO <sub>3</sub>	<u>156</u>
Alumina - - Al <sub>2</sub> O <sub>3</sub>	_____	Total Dissolved Solids	<u>1462</u>
Phosphate - - PO <sub>4</sub>	_____	pH @ <u>70</u> °F	<u>8.20</u>
Total Iron (Water)	<u>.03</u>	Specific Conductance - - Micromhos	<u>1624</u>
Total Iron (Oil)	_____	Specific Gravity @ <u>60</u> °F	<u>1.0030</u>

### COUPON DATA

Coupon No.	Initial Wt. Grams	Test Period	Terminal Wt. Grams	Wt. Loss Grams
------------	----------------------	-------------	-----------------------	-------------------

Average Corrosion Rate MPY: Coupon No. \_\_\_\_\_

Average Corrosion Rate MPY: Coupon No. \_\_\_\_\_

Description of Corrosion \_\_\_\_\_

Copies To: 4-Saxet Oil Corporation  
P.O. Box 187  
Midland, Texas 79701

1-File

BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION  
meo EXHIBIT NO. 9  
CASE NO. 6188  
Submitted by R. Harris  
Hearing Date 3-22-78

Analyzed By: \_\_\_\_\_

Sam D. Ares  
Zattu Cushing No. 1

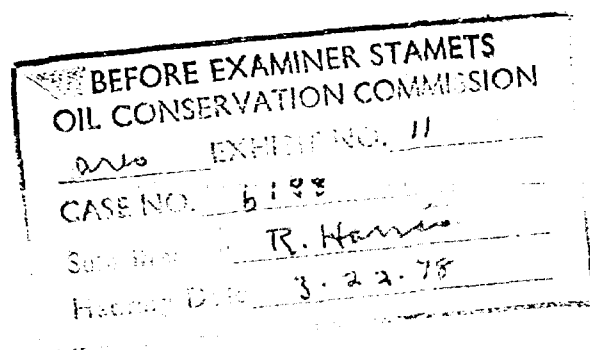
Injection Pressure: None - vacuum

Formation: Seven Rivers Reef

Estimated Volume: 2350 barrels per day

Source of water:

<u>Operator</u>	<u>Lease</u>	<u>Daily Volume</u>
Sam D. Ares	Z. Cushing	850 Barrels
Texas Pacific Oil Company	S. R. Cooper	1500 Barrels
		2350 Barrels



A TABULATION  
OF WELLS WITHIN 1/2 - MILE  
OF  
SAM D. ARES - ZATU CUSHING NO. 1

Operator	Lease	Well No	Unit	Casing	Depth Set	Sacks Cement	Cement Top	Total Depth	Producing Interval	Footage
Sam D. Ares	Zattu Cushing	2	F	8 5/8 5 1/2	444 3230	175 550	Circ 2200	3234	3172 - 3176	2310 FNL & 2310 FWL, 23-24S-36E
Continental Oil	Gates A-23	1	C	13 3/8 9 5/8 7	258 1689 3470	150 600 400	Circ 400 2675	3515	OH 3470-3515	660 FNL & 1980 FWL, 23-24S-36E
Gulf Oil	S. R. Cooper	1	C	13 3/8 9 5/8 7	294 2772 3475	250 850 75	Circ 1414 2495	3582	OH 3475-3582	1980 FNL & 1980 FEL, 23-24S-36E
Gulf Oil	S. R. Cooper	2	J	13 9 5/8 7	289 1329 3427	250 600 450	Circ 1268 1576	3616	3130-3230 3230-3616	1980 FSL & 1980 FEL, 23-24S-36E
Humble Oil	S. R. Cooper	1	B	12 1/2 9 5/8 7	316 2764 3535	175 650 200	Circ Circ 1810	3572	3559-3572	660 FNL & 1980 FEL, 23-24S-36E
Phillips Pet.	C. D. Woolworth	1	L	12 1/2 9 5/8 7	317 1415 3445	300 300 300	Circ 408 2661	3503	OH 3445-3503	2310 FSL & 330 FWL, 23-24S-36E
Phillips Pet.	C. D. Woolworth	2	K	12 1/2 9 5/8 7	305 1401 3468	275 200 300	Circ 331 2361	3503	OH 3462-3503	2310 FSL & 1650 FWL, 23-24S-36E
Phillips Pet.	C. D. Woolworth	3	E	12 1/2 9 5/8 7	303 1390 3468	200 300 300	Circ 951 2408	3512	OH 3468-3512	2310 FNL & 339 FWL, 23-24S-36E
Phillips Pet.	C. D. Woolworth	7	N	12 1/2 7 5/8 5 1/2	213 2900 3472	150 700 100	Circ Circ 2275	3500	OH 3472-3500	660.4 FSL & 1990 FWL, 23-24-36E

EXHIBIT A  
PAGE 4102

6/1/62



Operator	Lease	Well No.	Unit	Casing	Depth Set	Sacks Cement	Cement Top	Total Depth	Producing Interval	Footage
Phillips Pet.	C. D. Woolworth	17	K	8 5/8 5 1/2	419 3192	300 300	Circ 2200	3192	3152-3157	1980 FSL & 1980 FWL, 23-24S-16E
Reserve Oil & Gas	Cooper Jal Unit	237	O	13 3/8 9 5/8 7	308 2789 3470	130 800 175	Circ Circ 1953	3602	OH 3470-3602	660 FSL & 1980 FEL, 23-24S-36E
Texas Pacific	S. R. Cooper	3	J	8 5/8 5 1/2	1245 3300	750 400	Circ 1000	3300	3124-3149	2310 FSL & 2310 FEL, 23-24S-16E
Texas Pacific	S. R. Cooper	4	C	13 3/8	40	Redi-Mix Surface	Circ			
				9 5/8 5 1/2	1266 3302	600 950	Circ Circ	3302	3106-3175	2310 FNL & 2310 FEL, 23-24S-16E
Texas Pacific	S. R. Cooper "A"	1	B	13 3/8	40	Redi-Mix Surface	Circ			
				9 5/8 2 3/8	1239 3043	650 1250	Circ Circ	3300	3106-3166	990 FNL & 2610 FEL, 23-24S-36E
Worldwide Energy	R. L. Gates	1	D	10 3/4 7 5/8 5 1/2	250 1840 3450	300 500 400	Circ Circ Circ	3514	3500-3510	660 FNL & 660 FWL, 23-24S-36E
J. R. Cone	Mobil Myers	4	I	8 5/8 5 1/2	304 3400	150 720	Circ 644	3414	OH 3400-14	1980 FSL & 660 FEL, 22-24S-36E
Seony Mobil Oil	Myers Permit	1	I	10 8 5/8 6 5/8	1315 2968 3498	100 150 75	411 1380 2105	3509	Perf- 3116-3455 OH 3498-3509	2310 FSL & 330 FEL, 22-24S-36E
Stanolind Oil	Myers "A"	1	H	16 9 5/8 7	240 2985 3472	175 225 150	Circ 450 2040	3514	OH 3472-3514	2310 FNL & 330 FEL, 22-24S-36E
Thompson & Cone	Pan-American Myers	1	H	8 5/8 5 1/2	286 3573	200 400	Circ 2490	3501	3250-3360	1650 FNL & 330 FEL, 22-24S-36E

2819

CASE 6184: Application of Mesa Petroleum Company 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 24, Township 18 South, Range 24 East, 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 6185: (This Case will be dismissed)

Application of Mesa Petroleum Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 32, Township 18 South, Range 35 East, 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 6186: Application of Sun Production Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas proration unit comprising the NE/4 of Section 20 and the NW/4 of Section 21, both in Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to applicant's Boren & Greer Gas Unit Well No. 2 to be located 890 feet from the North line and 1780 feet from the West line of said Section 21.

CASE 6187: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Elinebry and Drinkard production in the wellbore of its Hawk B-1 Well No. 1 located in Unit F of Section 9, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 6170: Application of Aminoil USA, Inc., for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Westlake Unit Area comprising 1920 acres, more or less, of State lands in Township 24 South, Range 33 East, Lea County, New Mexico.

CASE 6188: Application of Sam D. Ares for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Seven Rivers formation through the open-hole interval from 3465 feet to 3497 feet in his Zattu Cushing Well No. 1 located in Unit F of Section 23, Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.

CASE 6189: Application of Merrion & Bayless for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Pictured Cliffs and Mesaverde production in the wellbore of its North Lindrith Com Well No. 2, to be drilled in the NW/4 of Section 20, Township 26 North, Range 2 West, Rio Arriba County, New Mexico.

JASON W. KELLAHIN  
ROBERT E. FOX  
W. THOMAS KELLAHIN

KELLAHIN and FOX  
ATTORNEYS AT LAW  
800 DON GASPAR AVENUE  
P. O. BOX 1769  
SANTA FE, NEW MEXICO 87501

February 20, 1978

FEB 21 1978

TELEPHONE 982-4315  
AREA CODE 505

CONSERVATION COMMISSION

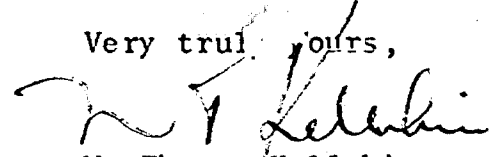
Mr. Joe Ramey, Director  
Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Sam D. Ares, Application for Salt Water  
Disposal, Lea County, New Mexico

Dear Mr. Ramey:

Enclosed please find the application for Sam D. Ares.  
We would appreciate this being set for the March 22, 1978  
hearing.

Very truly yours,

  
W. Thomas Kellahin

WTK:kfm

Enclosure

1321 1988

BEFORE THE  
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF SAM D. ARES, FOR SALT WATER  
DISPOSAL, LEA COUNTY, NEW MEXICO

A P P L I C A T I O N

COMES NOW Sam D. Ares and applies to the Oil Conservation Commission of New Mexico for authority to convert his Zattu Cushing No. 1 well to salt water disposal and in support thereof would show the commission:

1. That Applicant seeks permission to convert his Zattu Cushing No. 1 well to salt water disposal said well being located 2310 feet from the North line and 1650 feet from the West line of Section 23, T24S, R36E, NMPM, Lea County, New Mexico for the injection of fluids into the Seven Rivers formation.

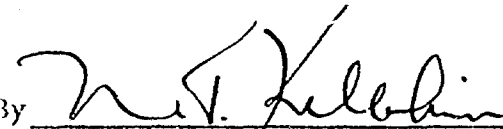
2. Applicant attaches hereto and incorporates by reference Exhibit "A" being all the required exhibits to be submitted in accordance with proposed Rule 701 of the Commission Rules.

3. That the establishment of the salt water disposal well will not impair the correlative rights of others.

WHEREFORE applicant respectfully requests this matter be set for hearing before the Commission's duly appointed examiner and that after notice and hearing as required by law, the Commission enter its order approving the application as requested.

Respectfully submitted,

SAM D. ARES

By   
Kellahin & Fox  
P. O. Box 1769  
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

BEFORE THE  
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF SAM D. ARES, FOR SALT WATER  
DISPOSAL, LEA COUNTY, NEW MEXICO

APR 21 1978  
OIL CONSERVATION COMMISSION  
SANTA FE

A P P L I C A T I O N

COMES NOW Sam D. Ares and applies to the Oil Conservation Commission of New Mexico for authority to convert his Zattu Cushing No. 1 well to salt water disposal and in support thereof would show the commission:

1. That Applicant seeks permission to convert his Zattu Cushing No. 1 well to salt water disposal said well being located 2310 feet from the North line and 1650 feet from the West line of Section 23, T24S, R36E, NMPM, Lea County, New Mexico for the injection of fluids into the Seven Rivers formation.
2. Applicant attaches hereto and incorporates by reference Exhibit "A" being all the required exhibits to be submitted in accordance with proposed Rule 701 of the Commission Rules.
3. That the establishment of the salt water disposal well will not impair the correlative rights of others.

WHEREFORE applicant respectfully requests this matter be set for hearing before the Commission's duly appointed examiner and that after notice and hearing as required by law, the Commission enter its order approving the application as requested.

Respectfully submitted,

SAM D. ARES

By W. F. Kellahin  
Kellahin & Fox  
P. O. Box 1769  
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

DRAFT

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO .

dr/

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

CASE NO. 6188

Order No. R- 5690

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 22, 1978,  
at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this \_\_\_\_\_ day of \_\_\_\_\_, 1978, 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 Zattu Cushing Well No. 1,  
located in Unit F of Section 23, Township 24 South,  
Range 36 East, NMPM, Jalmat Gas 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 3,465 feet to 3,497 feet.

(4) That the injection should be accomplished through \_\_\_\_\_  
2 3/8 -inch plastic lined tubing installed in a packer  
set at approximately 3250 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 <sup>into the disposal zone</sup> ~~well or system~~ should be equipped with a ~~pressure~~ <sup>operated at a pressure</sup> or acceptable substitute which will <sup>no higher than hydrostatic pressure.</sup> ~~limit the wellhead pressure on the injection well to no more than 700 psi.~~

(6) That the operator should notify the supervisor of the Hobbs district office of the <sup>Oil Conservation Division of the New Mexico</sup> ~~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 applicant, Sam D. Ares, is hereby authorized to utilize its Zattu Cushing Well No. 1, located in Unit F of Section 23, Township 24 South, Range 36 East, NMPM, Jalmat Gas 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 3250 feet, with injection into the open-hole interval from approximately 3,465 feet to 3,497 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 ~~in such a manner as to~~ with a pop-off valve or acceptable substitute which will ~~limit the wellhead pressure on the injection well to no~~ <sup>formation injection in the</sup> more than ~~700 psi.~~ <sup>hydrostatic pressure.</sup>

(3) That the operator shall notify the supervisor of the Hobbs district office of the <sup>Oil Conservation Division</sup> ~~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 <sup>Division's</sup> ~~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 <sup>Division</sup> ~~Commission~~ Rules and Regulations.

(6) That jurisdiction of this cause is retained for the entry of such further orders as the <sup>Division</sup> ~~Commission~~ may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

State of NM  
Oil Conservation Commission  
Lucero Chairman  
Arnold Member  
Pammy <sup>Secretary</sup> ~~Member~~ <sup>Oil Division</sup>  
Director