BEFORE THE Oil Conservation Commission SANTA FE, NEW MEXICO

IN THE MATTER OF:

423

CASE NO. 137

TRANSCRIPT OF PROCEEDINGS

August 22, 1956

DEARNLEY-MEIER AND ASSOCIATES

COURT REPORTERS

605 SIMMS BUILDING 605 SIMMS BUILDING TELEPHONE 3-6691

ALBUQUERQUE, NEW MEXICO

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION HOBBS, NEW MEXICO AUGUST 22, 1956

IN THE MATTER OF:

CASE NO. 1137:

Application of Humble Oil and Refining:
Company for permission to convert its:
State "A" Well No. 2 into a salt water:
disposal well in the San Andres formation of the Hobbs Pool in accordance:
with New Mexico Oil Conservation Commission Statewide Rule 701. Applicant:
in the above-styled cause, seeks an:
order granting permission to convert:
its previously abondoned State "A" Well:
No. 2 into a salt water disposal well:

said well, is located 330 feet from the: South and East lines of Section 25, : Township 18 South, Range 37 East, Lea: County, New Mexico. Applicant proposes: to inject salt water below the oil-water: contact of the San Andres formation in: the Hobbs Pool.

BEFORE:

Daniel S. Nutter, Examiner.

TRANSCRIPT OF PROCEEDINGS

MR. NUTTER: We will proceed with Case No. 1137. We have a letter from the Humble Oil and Refining Company.

MR. GURLEY: Is Humble Oil represented here?

(No response)

This letter is dated August 15, 1956, in Re: Hobbs Pool,
Salt Water Disposal. Dear Sir: At an operators' meeting held in
Hobbs, New Mexico, August 14, 1956, Stanolind Oil & Gas Company

was designated as temporary chairman for the Hobbs Pool Operators Committee.

The Hobbs Pool Operators Committee will hold a meeting on Friday, August 24, 1956, to consider the salt water disposal problem in that pool. Due to this meeting, Humble Oil & Refining Company requests that the hearing set for August 22, 1956, on Case 1137, be postponed to a later date.

Subsequent to the above meeting, Humble Oil & Refining Company will advise the New Mexico Oil Conservation Commission relative to resetting of the hearing on Case 1137. Signed by Mr. Dewey.

MR. NUTTER: I talked with Mr. Dewey on the telephone yesterday. He asked that we continue the case until September 26. So, Case No. 1137, without objection, will be continued to September 26, 1956, at Hobbs.

REPORTER'S CERTIFICATE

I, LOUIS R. GUEVARA, do hereby certify that the foregoing and attached Transcript of Proceedings, pages 2 and 3, were reported by me in Stenograph at the time and place aforesaid; that the same was reduced to typewritten transcript by me and contains a true and correct record of said proceedings to the best of my knowledge, skill and ability.

DATED this 27 day of August, 1956, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

LOUIS R. GUEVARA, Court Reporter

DEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 1137 Order No. R-909

APPLICATION OF NUMBLE OIL AND REFINING COMPANY FOR AN ORDER GRANTING PERMISSION TO CONVERT ITS STATE "A" WELL NO. 2, LOCATED IN THE SE/4 SE/4 SECTION 25, TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM, INTO A SALT WATER DISPOSAL WELL IN THE SAN ANDRES FORMATION OF THE HOBES POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 o'clock a.m. on August 22, 1956, and again at 9:00 o'clock a.m. on September 26, 1956, at Mobbs, New Mexico, before Daniel S. Mutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

MOV, on this day of November, 1956, the Commission a quorum being present, having considered the application, the evidence adduced, the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

- (1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.
- (2) That the applicant is the owner of a plugged and abandoned oil well in the Hobbs Poel known as its State "A" Well No. 2, located 330 feet from the South line and 330 feet from the East line of Section 25, Township 18 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That applicant proposes to re-enter its State "A" Well No. 2, deepen it to a total depth of 4,350 feet, run a full string of new casing to the total depth, cement the same to the surface, and perforate the lower portion of the casing to permit the injection of salt water below the oil-water contact in the San Andres formation of the Hobbs Pool.
- (4) That the applicant's proposed salt water injection program will not jeopardize the production of oil, gas, or fresh water in the area.

-2-Case No. 11**37** Order No. R-**909**

(5) That the applicant's proposed salt water injection program is consonant with sound conservation practices.

IT IS THEREFORE ORDERED:

- (1) That the applicant be and the same is hereby authorized to re-enter its State "A" Well No. 2, located 330 feet from the South line and 330 feet from the West line of Section 25, Township 18 South, Range 37 East, NAPM, Hobbs Pool, Lea County, New Mexico, to deepen said well to a total depth of 4,350 feet. Provided a full string of new casing is set to the total depth of the well with cement circulated to the surface, the applicant is further authorized to perforate the lower portion of the said casing and inject salt water through said perforations into the San Andres formation of the Hobbs Pool, provided the point of injection is well below the oil-water contact level of said San Andres formation.
- (2) That applicant shall submit monthly reports of its disposal operation in accordance with Rules 704 and 1119 of the Commission Rules and Regulations.

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

STATE OF NEW MEXICO OIL_CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

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



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 12, 1956

Mr. J. W. House Humble Oil and Refining Company P. O. Box 1600 Midland, Texas

Dear Sir:

We enclose a copy of Order R-909 issued on November 7, 1956, by the Oil Conservation Commission in Case 1137, which was heard on September 26, 1956.

Very truly yours,

A. L. Porter, Jr. Secretary-Director

jh encls.