

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE 1743

TRANSCRIPT OF HEARING

AUGUST 19, 1959

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
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BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE 1743 Application of Newmont Oil Company for an un-
orthodox water injection well location. Ap-
plicant, in the above-styled cause, seeks an
order authorizing it to reopen and utilize
for water injection a well located on an un-
orthodox location at a point 1620 feet from
the North line and 1020 feet from the West
line of Section 32, Township 16 South, Range
31 East, Square Lake Pool, Eddy County, New
Mexico.

BEFORE:

Daniel S. Nutter, Examiner.

T R A N S C R I P T O F P R O C E E D I N G S

MR. NUTTER: Take next Case 1743.

MR. PAYNE: Case 1743. Application of Newmont Oil
Company for an unorthodox water injection well location.

MR. NUTTER: Is anyone present from the Newmont Oil
Company? We will take that case after 1748.

MR. NUTTER: Take next Case 1743.

MR. PAYNE: In view of the fact that no representative
from Newmont is here, I recommend that this case be dismissed. If
it is redocketed, the charges will be billed against Newmont. I

also recommend, Mr. Examiner, that we make sure that injection is not taking place in this well. They originally advised us that they wanted to drill this well as soon as possible. The Secretary-Director gave them authority to drill it so long as they didn't inject water into it.

MR. NUTTER: We will dismiss Case No. 1743.

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, J. A. Trujillo, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript by me, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this, the 5th day of September 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Joseph A. Trujillo

My Commission Expires:

October 5, 1960

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1743 heard by me on 8-19, 19 59.

[Signature] Examiner
New Mexico Oil Conservation Commission

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE 1762

TRANSCRIPT OF HEARING

SEPTEMBER 30, 1959

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
SEPTEMBER 30, 1959

IN THE MATTER OF: :

CASE 1762 Application of Newmont Oil Company for an un- :
orthodox water injection well location. Appli- :
cant, in the above-styled cause, seeks an order :
authorizing it to reopen and utilize for water :
injection a well located on an unorthodox loca- :
tion at a point 1620 feet from the North line :
and 1020 feet from the West line of Section 32, :
Township 16 South, Range 31 East, Square Lake :
Pool, Eddy County, New Mexico. :

BEFORE:

Daniel S. Nutter, Examiner.

T R A N S C R I P T O F P R O C E E D I N G S

MR. NUTTER: We will take next Case No. 1762.

MR. PAYNE: Case 1762. Application of Newmont Oil
Company for an unorthodox water injection well location.

MR. CAMPBELL: Mr. Examiner, I'm Jack M. Campbell,
Campbell & Russell, Roswell, New Mexico, appearing on behalf of
the applicant.

(Witness sworn)

HERMAN LEDBETTER,

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

DIRECT EXAMINATION

BY MR. CAMPBELL:

Q Will you state your name, please?

A Herman Ledbetter.

Q Where do you live, Mr. Ledbetter?

A Artesia, New Mexico.

Q By whom are you employed and in what capacity?

A Newmont Oil Company, production superintendent.

Q As a part of your duties, are you supervising the operation of the Square Lake Pool flood for Newmont Oil Company?

A Yes, sir.

Q Are you acquainted with the application of Newmont in this case?

A Yes, sir.

(Thereupon, Newmont's Exhibit No. 1 was marked for identification.)

Q I refer you to what has been identified as Applicant's Exhibit No. 1, and ask you to state what that is?

A This is a map of the Square Lake, East Square Lake Field.

Q And what are you seeking in this particular application, Mr. Ledbetter?

A Permission to re-enter an old hole that is -- was an unorthodox location.

Q You are not seeking in this hearing authority to in-

ject water in this well, are you?

A No.

Q Will you point out on Exhibit 1 there where the well is located?

A It is located 1020 feet from the West line and 1620 feet from the North line of Section 32, Township 16 South, Range 31 East.

(Thereupon, Newmont's Exhibit No. 2 was marked for identification.)

Q I hand you, Mr. Ledbetter, what has been identified as Applicant's Exhibit No. 2, and ask you to state what that is, please?

A This is a plat showing the location of this well.

Q Is that certified by a professional land surveyor?

A Yes, sir.

Q That well, Mr. Ledbetter, is actually situated further in to your property than away from adjacent properties than the normal location, is it not?

A Yes, sir.

Q Have you done any work on this well, Mr. Ledbetter?

A Yes, sir.

Q Did you discuss it with the representative of the Commission before you did any work on the well?

A Yes, sir, it was discussed with Mr. Armstrong in the Artesia Conservation office.

Q And did he advise you that you could, at your risk, go ahead and do some work, but that you could not inject any water into the well until you obtained Commission approval in the usual manner?

A Yes, sir.

Q Will you state to the Examiner for this record what you have done with regard to that well?

A We have reopened the well and set surface -- 7 inch surface pipe inside the old 8 5/8 surface pipe at 244 feet, and run 4 1/2 inch casing to 3386 feet and cemented it.

Q Now, what you are seeking is the authority to -- formal authority to re-enter this unorthodox well -- unorthodox located well, is that correct?

A Yes, sir.

Q Approval of the unorthodox location?

A Yes, sir.

MR. CAMPBELL: I believe that's all the questions I have.

MR. NUTTER: Is this proposed well that is to be used on the injection well on the general overall water injection pattern.--

A Yes, sir.

Q -- even though it differentiates from it by a few feet?

A Yes, sir.

MR. PAYNE: Mr. Ledbetter, what water flood is this in, or what general area?

A The East Square Lake Field.

MR. PAYNE: East Square Lake.

MR. NUTTER: And the well has not been used as an injection well to date.

A No, sir.

MR. PAYNE: And you say you are not asking for permission at this time to use it as an injection well?

A No, sir.

MR. PAYNE: The advertisement was broad enough that you could be asking to do that?

MR. CAMPBELL: Is it?

MR. PAYNE: Yes, sir.

MR. CAMPBELL: I didn't prepare the application, and I am not acquainted with the advertisement.

MR. PAYNE: Here is what it provides, Mr. Campbell:

"Applicant, in the above-styled cause, seeks an order authorizing it to reopen and utilize for water injection a well located on an unorthodox location at a point 1620 feet from the North line and 1020 feet from the West line of Section 32, Township 16 South, Range 31 East, Square Lake Pool, Eddy County, New Mexico."

QUESTIONS BY MR. CAMPBELL:

Q Mr. Ledbetter, do you contemplate that in the relatively near future you will desire to use this well as a water injection well?

A Yes, sir.

Q Is it in the vicinity of the presently operating flood area?

A Yes, sir.

MR. CAMPBELL: If the Commission please, I believe this may be one of those earlier orders which does not contain any administrative procedures for water injection wells.

MR. PAYNE: I think that's correct.

MR. CAMPBELL: And under those circumstances, and since the advertisement is sufficient to cover that, we would like to include that as a part of this application, to avoid an additional hearing.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Ledbetter, is the Newmond Oil Company's No. 1 Well, which is located in the NW/4 of the NW/4 of Section 32, has it received any response from the water flood?

A No, sir.

Q It hasn't?

A No, sir.

Q You would not place the No. 2 Well, which is the unorthodox located well, that is the subject of this hearing today, you would not place that on water injection until such time as the No. 1 Well in the NE/4 NW/4 had received a response from the water flood, would you?

A Yes, sir, in our plan we feel it would be advantag-

eous to ask to go ahead.

Q That would be in an effort to cause the No. 1 Well in Unit D to have a response from the water flood sooner, correct?

A Yes, sir.

QUESTIONS BY MR. PAYNE:

Q Would you have any objection to making the approval, injection into this well, contingent upon the No. 1 Well receiving a response?

A Yes, sir. I feel that for our best overall operations, it would be better to start injection into the No. 2 Well.

Q Now, it is not in the pilot area, is it?

A Well, not as outlined on this map, but we would like to include it.

QUESTIONS BY MR. NUTTER:

So, in effect, this would be expansion of the pilot area into an area that has not received a response?

A That's right.

MR. CAMPBELL: Mr. Examiner, these properties were acquired by Newmont Oil Company from Ambassador Oil Corporation, which obtained the authority for the original pilot flood, I would presume, and in the normal course of events Newmont Oil Company will have to come before the Commission with their overall project plan and obtain whatever Order the Commission sees fit to issue with regard to expansion and water injection wells. For that reason, I would feel that it might be appropriate at this

time to confine this particular hearing to proper authority to re-enter the unorthodox well, and to proceed in regard to expansion on water injection via another hearing, or under Statewide Rules, if such are adopted.

MR. NUTTER: Does anyone have any further questions of Mr. Ledbetter? He may be excused.

(Witness excused)

MR. NUTTER: Does anyone have anything further?

MR. CAMPBELL: I would like to offer Exhibits 1 and 2 in evidence.

MR. NUTTER: Without objection, Newmont's Exhibits 1 and 2 will be entered.

(Whereupon, Newmont's Exhibits
Nos. 1 and 2 were received in
evidence.)

MR. NUTTER: Does anyone have anything further they wish to offer in Case 1762? We will take that case under advisement and take a ten-minute recess.

(Short recess.)

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, J. A. Trujillo, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript by me, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this, the 12th day of October, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Joseph A. Longella
NOTARY PUBLIC

My Commission Expires:

October 5, 1960

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 1762
heard by me on 9-30, 1957

Bureau, Examiner
New Mexico Oil Conservation Commission