

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 19, 1970

EXAMINER HEARING

IN THE MATTER OF:

Application of David S. Collier
for an exception to Order No. R-3221,
as amended, Eddy County, New Mexico

Case No. 4400

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

Case No. 4400

MR. HATCH: This is the application of David S. Collier for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. The applicant seeks an exception to Order No. R-3221 as amended which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chavez, and Roosevelt counties, New Mexico. Said exception would be for applicants southern Federal lease in Units A, C, E, G, I, K and M of Section 30, Township No. 19 South, Range 31 East, North Hackberry Yates - Seven River's Pool, Eddy County, New Mexico.

MR. COLLIER: I represent myself.

MR. HATCH: Mr. Collier, would you stand and be sworn, please:

MR. COLLIER: Yes.

DAVID COLLIER

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

MR. COLLIER: I have two exhibits. (Two exhibits marked. One and two, respectively).

WITNESS: I'd like to point out that I purchased this property located in Section 30 that is marked in yellow there which are the locations of Seven wells. It is known as the Southern Federal lease located in Section 30, 19 South, 31 East, Eddy County. We are producing about sixteen barrels of oil and

thirty barrels of water there from these seven wells and the crosshatched area indicates the proximity of the area that is exempt by Order No. 3221 B. The larger topographical map indicates two things, I believe; the drainage of the area toward the salt area, as mentioned in your Conservation Commission bulletin of the 25th day of July, 1968 and your nomenclature on that, you refer to it as the Nastraw and Clayton Basin. The surface area of this lease, as indicated by the topographical map, will indicate that the drainage is high and away from any of the fresh water in the area.

There is a windmill at the Lusk Ranch and that is indicated there on the -- it would be to the southeast, which is considerably -- they are considerably higher than we are over on our -- in our production area.

Since there has been a number of exceptions granted in this area, we felt justified in making this request to the Commission and we feel that if we should be allowed an exception to the No Pit order that we would be promoting conservation by the fact that we would be allowed to produce some additional oil.

I really have nothing else to add unless the Commission would have some questions that I might be able to answer.

MR. NUTTER: Mr. Collier, inspection of this Exhibit No. 2 here, this topographic map, would indicate that there is a bench mark over in the neighborhood of the Lusk ranch where you have said there is a windmill and the bench mark elevation

is 3442. Then your well in Section 30 would be right close to the contour running through that section of 3450 which would indicate that it would only be about eight foot lower than the Lusk ranch, but wouldn't the contour lines in between the Lusk ranch and your lease indicate that there may be a ridge running along through there?

A Yes, there is a ridge through there. Which well do you refer to, sir?

Q Well, you will notice on your -- you better refer to Exhibit No. 2 Mr. Collier -- you notice there at the Lusk ranch there is a bench mark with the elevation given at 3442.

A Yes.

Q Then over in Section 30 where your number 3 would be in unit I of Section 30 there is a contour line of 3450 running through there.

A Yes.

Q That would indicate that is only eight feet higher or lower than the Lusk ranch.

A This is true. There is a ridge there. Now, our disposal area would be over in the northeast 40 there about where we have a ridge marking. We are down in the low corner there. It would be about 3409.

Q Well, it would appear that the contours for your general area here would be sloping in a manner such as so that your lease would be on the southeast flange of a slope

which is sloping down into the Clayton Basin, is that correct?

A Yes, sir. That is correct.

Q So if there would be any drainage of waters from disposal pits in your area, it should be in the direction of the Clayton Basin rather than back towards the Lusk ranch then.

A Yes, sir.

Q There apparently is another bench mark immediately southeast of your number 3 which would be on the line between Section 29 and 32 and elevation there is given as 3474.

A Yes, sir. This is probably the high point.

Q This would be on that high ridge which runs in between the Lusk ranch and your lease?

A Yes, sir.

Q That would indicate that point would be twenty-four feet higher than the 3450 line running through well No. 3.

A Yes.

Q And is this Lusk ranch windmill the nearest windmill to this disposal area?

A Yes, sir.

Q Where would your pits be, Mr. Collier?

A In the northeast. It is actually in the northeast forty and it is located near the west line of the northeast forty.

Q In other words, that is No. 1 well up there in the northeast northeast?

A Yes.

Q So the pit would be west of the No. 1 well?

A It is actually southwest.

Q Southwest of it in the same forty?

A Yes, sir.

Q Or Unit A of Section 30.

Any further questions from Mr. Collier?

You may be excused. Do you have anything further,
Mr. Collier?

(Witness excused)

MR. COLLIER: No, sir. Thank you.

MR. NUTTER: Does anyone have anything they wish
to offer in case 4400?

We will take the case under advisement.

STATE OF NEW MEXICO)
)
 COUNTY OF BERNALILLO) ss

I, Peter A. Lumia, Court Reporter, in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Commission was reported by me and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Peter A. Lumia
 Court Reporter

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Boarding Hearing on Case No. 4400,
 heard by me on 8/19, 1970.
Peter A. Lumia, Bookkeeper
 New Mexico Oil Conservation Commission