

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
State Land Office Building  
Santa Fe, New Mexico  
September 2, 1970

EXAMINER HEARING

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IN THE MATTER OF:

Application of J. Cleo Thompson  
for an exception to Order No. R-3221,  
as amended, Eddy County, New Mexico.

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) Case No. 4417  
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BEFORE: ELVIS A. UTZ, Examiner

TRANSCRIPT OF HEARING

DEARNLEY-MEIER REPORTING SERVICE

MR. HATCH: Case 4417. Application of J. Cleo Thompson for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant in the above styled cause 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, Chaves, and Roosevelt Counties, New Mexico. Said exception would be for the applicant's Evans Wells Nos. 9 and 12 located, respectively, in Units G and B of Section 33, Township 16 South, Range 30 East, Square Lake Pool, Eddy County, New Mexico. Applicant seeks authority to dispose of water produced by said wells in unlined surface pits located in the vicinity of said wells.

MR. KELLAHIN: Jason Kellahin of Kellahin and Fox, Santa Fe, appearing for the applicant. We have one witness I'd like to have sworn, please.

(Witness was sworn)

ORLANDO BRISCO,

the witness, having been first duly sworn upon his oath, according to law testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Mr. Brisco, what business are you engaged in?

A Well, I am an independent contractor and I look after Mr. Thompson's production in the Loco Hills area.

Q Where are you located?

A Loco Hills.

Q How long have you lived in Loco Hills?

A Thirty-three years.

Q In connection with your work as an independent contractor do you handle the Evans Wells Nos. 9 and 12 which are the subject matter of this hearing?

A I do.

Q Are you familiar with those wells?

A Yes, Sir.

Q Do you have occasion to visit the area in which they are located frequently?

A Yes, Sir.

Q Do you also service wells in the same area -- do you handle other wells in there?

A Yes, Sir.

Q So you are familiar then with all of the entire area surrounding the Evans Wells Nos. 9 and 12, is that correct?

A Yes, Sir.

Q You have been on the ground on numerous occasions, is that correct?

A Yes, Sir.

Q Now, referring to what has been marked as Exhibit No. 1, would you identify that exhibit, please?

A Well, this Evans No 9 well in this quarter section of

33 Northeast, quarter section 33 is the well in question --

Q They are the ones that are circled in red on the plat you are referring to as Exhibit 1, is that correct?

A Yes, Sir.

Q Then the red mark adjacent to those wells, what does that indicate?

A That is the tank battery.

Q Could you say where the tank battery is located in the quarter section?

A Well, it is directly in the center as far as north and south is concerned, but it is 100 feet west of the center.

Q And does that surface pit serve both the Evans 9 and 12 wells:

A It does.

Q How much water are those two wells producing at the present time?

A About 12 barrels a day.

Q Do you anticipate there will be any increase in the water production?

A Not in the near future I don't.

Q You say 12 barrels a day. Is that both wells or --

A In both wells.

Q Not 12 barrels apiece?

A No. Both wells.

Q Have you made an investigation of the area of those

wells to determine if there is any fresh water being either produced or available?

A Yes. There is none.

Q Have you gone on the ground and looked for wells?

A Windmills.

Q Windmills, tanks:

A Yes. There is none in that immediate area within several miles of there.

Q Now, on the right hand side of Exhibit No. 1 there appears to be a red check mark. What does that indicate?

A That is an earthen tank that belongs to a cattle company.

Q And that would be how far from your surface pit?

A Oh, approximately three miles.

Q The drainage from your surface pit runs in that direction?

A No, Sir.

Q Now, as I understand your testimony, you have been unable to find any wells of any kind. Do you know of any wells that were drilled in this area?

A Any water wells?

Q Yes, Sir. Water wells?

A Well, there was some water in that area that they tried to produce to use for water injection wells and it wasn't even fit for that.

Q Was it fit for livestock or any other purpose?

A It wasn't fit for livestock. There is no livestock water.

Q What is the character of the water you are producing from the Evans wells -- is it --

A It is just salt.

Q Is it usable for any purpose?

A No. No use.

Q Now, referring to what has been marked Exhibit No. 2, would you identify that exhibit, please?

A This is available ground water in this area.

Q And that is taken from the ground water report No. 3 published by the School of Mines, is that correct?

A Yes, Sir.

Q Does that indicate that there is any fresh water available in that area?

A None at all.

Q You think that correctly reflects the situation?

A I think it does.

Q In your opinion, would the continued use of the surface pit for water disposal as proposed by the applicant in this case cause any damage to any fresh water anywhere?

A None whatsoever.

Q In your opinion would it cause any damage to any producing wells or any other type of damage?

A No.

Q Surface damage?

A No.

Q To grass or other damage?

A No. None.

Q Was Exhibit 1 prepared by you?

A Yes, Sir.

Q And Exhibit 2 is a reproduction of a plat from a publication, is that correct?

A Yes, Sir.

MR. KELLAHIN: At this time I'd like to offer into evidence Exhibits 1 and 2.

MR. UTZ: Well, without objection Exhibits 1 and 2 will be accepted in the record of this case.

MR. KELLAHIN: That completes our testimony, Mr. Utz.

CROSS EXAMINATION

BY MR. UTZ:

Q I am trying to locate your lease on this ground water plat. It is 16 South 30, East Section 33?

MR. KELLAHIN: That is right.

MR. UTZ: I am having a little trouble finding the township boundaries.

MR. KELLAHIN: Examiner, please, I believe the 16 South is in the center of the township, so it would be on the dark line just above the well six sections down and then 30

East is in the center, so your 33 would be approximately in the center of the bottom of the township.

MR. UTZ: O. K.

THE WITNESS: This area right in there, the sandhills are high. There is no surface drainage at all. There has never been a surface drainage right in that area.

Q No windmills are shown on this at all, is there?

A There has been some windmills within about three or four miles of there and they have all been abandoned because the water wasn't fit for livestock. The High Lonesome Mill, approximately four miles from there, that hasn't been produced for three years, I guess, and that is about it.

Q Is the water salty or --

A The water is gippy and salty and cows won't drink it unless they are on starvation.

Q This earthen pit that you show on your exhibit in Section 1, is that used to collect surface water?

A Rain water. Yes, Sir. Our water doesn't drain in that direction at all.

Q How much oil are these two wells producing?

A 12 barrels a day, the two of them.

Q Oil?

A Oil and 12 barrels of water.

Q Fifty percent water cut then, right?

A 12 barrels water, 12 barrels oil.



MR. UTZ: Any other questions of the witness?

You may be excused.

MR. KELLAHIN: I would like to point out that this application involves an area where previous exceptions have been granted and we feel one is justified in this case.

MR. UTZ: Any other statements?

The case will be taken under advisement.

STATE OF NEW MEXICO       )  
                                  ) ss.  
COUNTY OF BERNALILLO    )

I, Peter A. Lumia, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation 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  
Peter A. Lumia, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings of the public hearing of Case No. 4417 held by me on 9-20-78 at

[Signature], Secretary  
New Mexico Oil Conservation Commission

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