

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 17, 1971

EXAMINER HEARING

IN THE MATTER OF:

Application of Texas Pacific
Oil Company for an exception
to Order No. R-3221, as amended,
Eddy County, New Mexico.

Case No. 4490

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

1 MR. NUTTER: Call next Case No. 4490.

2 MR. HATCH: Case 4490. Application of Texas Pacific

3 Oil Company for an exception to Order No. R-3221, as amended,

4 Eddy County, New Mexico.

5 MR. RUSSELL: John F. Russell, from Roswell, appearing

6 on behalf of the Applicant. I have one witness.

7 (Witness sworn.)

8 (Whereupon, Applicant's Exhibits 1 and 2 were marked

9 for identification.)

10 OMER ROBERTS,

11 having been first duly sworn, testified as follows:

12 DIRECT EXAMINATION

13 BY MR. RUSSELL:

14 Q Will you please state your name, address, the name of

15 your employer and the capacity in which you are employed?

16 A Omer Roberts, O-m-e-r, Midland, Texas, Texas Pacific Oil

17 Company, petroleum engineer.

18 Q And you have previously qualified to give testimony before

19 this Commission, have you not?

20 A I have.

21 Q Are you familiar with the application in Case 4409?

22 A Yes, sir, I am.

23 Q What is it you seek by this application?

24 A We seek an exception to the no pit order whereby we may

25 be allowed to dispose of produced water in a surface

1 unlined pit for our Wooley Federal Number 3 in the Loco
2 Hills-Abo Pool, Eddy County, New Mexico.

3 Q In connection with this application, have you prepared
4 or have caused to be prepared some exhibits?

5 A Yes, sir, I have.

6 Q I will refer you to what has been marked as Applicant's
7 Exhibit No. 1 and ask you to explain that exhibit.

8 A Exhibit No. 1 is an ownership map of the area surrounding
9 our Wooley Lease. On this map are shown the locations of
10 nearby windmills. Note that the nearest windmill on this
11 plat is approximately five miles distant from the lease.

12 Our lease is outlined in yellow and I will explain
13 the squares outlined in blue.

14 Q Go right ahead.

15 A I would like to read now from Commission Order No. R-3820
16 whereby an exception to Order R-3221 was granted to Frank-
17 lin, Aston and Fair. This order is dated 27th day of
18 August, 1969.

19 Read from paragraph seven: "There appears to be
20 no shallow fresh water in the vicinity of the subject
21 pits for which a present or reasonably foreseeable
22 beneficial use is or will be made that would be impaired
23 by contamination from the subject pits."

24 The areas outlined in blue on this land plat are
25 the leases covered by this Order No. R-3820 for Franklin,

dearnley-meier

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- 1 Aston and Fair.
- 2 Q Where is your lease located; would you give the description
- 3 of it?
- 4 A It's located in Section 21, Township 17 South, Range 30
- 5 East, Eddy County.
- 6 Q And one of the wells for which the no pit exception has
- 7 been previously granted is an offset to this lease, is it
- 8 not?
- 9 A Yes, sir, it is.
- 10 Q And your examination of the area does not disclose any
- 11 water wells other than the three windmill wells, is that
- 12 correct?
- 13 A That is correct.
- 14 Q Are those windmill wells being operated at this time?
- 15 A To our knowledge, they are not.
- 16 Q Will you explain to us the method under which you are
- 17 operating your well at this time and the reason why it
- 18 is unsatisfactory?
- 19 A Presently, we are disposing of produced water into our
- 20 Wooley Number 1, a previous producer in the Loco Hills
- 21 Pool. The water is being disposed into this well on a
- 22 vacuum and it is necessary in order to maintain the
- 23 injectivity of this well to acidize it approximately once
- 24 every three months.
- 25 The cost of these acid jobs is approximately \$700.00

1 apiece. Our operating costs on this one well lease over
2 the last twelve months have averaged \$1,085.00 per month.
3 We feel that by eliminating the frequent acid jobs on
4 the disposal well that we could reduce our operating costs
5 for this lease by \$250.00 per month which would extend
6 the economic life of this producing well and result in
7 the recovery of an additional 4,000 barrels of oil.

8 Q How much oil is this well producing at this time?

9 A Presently, it produces twenty-two barrels of oil per day
10 and ninety-one barrels of water.

11 Q And you are asking exception to the order to allow you to
12 dispose of this produced water in an open pit, are you
13 not?

14 A Yes, sir.

15 Q I refer you to Exhibit No. 2 and ask you what that
16 reflects.

17 A Exhibit No. 2 is the log of an oil or gas well form for
18 the United States Geological Survey which is submitted
19 on every well drilled on a federal lease. On this form
20 are shown a record of important water sands encountered
21 in each well drilled on federal leases and referring to
22 the important water sands section of this form for our
23 Wooley No. 3 Well, you will notice that there are no
24 important water sands shown on this record.

25 Q To the best of your knowledge, there are no fresh water

- 1 areas or wells in this area at all, is that correct?
- 2 A Yes, sir, that's correct.
- 3 Q How long ago was this well drilled?
- 4 A It was completed in December, 1961.
- 5 Q And had been producing into open pit your salt water?
- 6 A Yes, up until the institution of the no pit order.
- 7 Q Have you checked into the possibility of hauling this
- 8 water?
- 9 A We have, but the cost of hauling the water would be even
- 10 more prohibitive at twenty-five cents per barrel than the
- 11 present cost of maintaining the disposal well.
- 12 Q Then, in your opinion, the granting of this exception
- 13 would not contaminate any waters in this area?
- 14 A That is our opinion, yes, sir.
- 15 Q And, also, the granting of the exception would protect
- 16 correlative rights and prevent economic waste by premature
- 17 abandonment of the well, is that correct?
- 18 A Yes, sir.
- 19 MR. RUSSELL: At this time, I would like to
- 20 introduce Applicant's Exhibits 1 and 2.
- 21 MR. NUTTER: Applicant's Exhibits 1 and 2 will be
- 22 admitted in evidence.
- 23 MR. RUSSELL: I have no further questions of this
- 24 witness.
- 25

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Roberts, is this the lease immediately west of your lease here that Franklin, Aston and Fair has discontinued using the pits and is now putting the water into a disposal well?

A I am not aware of that, sir.

Q I believe that one of the instances in the immediate vicinity which was accepted at one time by the Commission, they have discontinued using the pits and are now using water disposal wells?

A I am not aware of that. I have not visited the lease in the last two months and I do not know.

Q Now, what is the problem here with your well that requires this treatment every three months with acid?

A We are apparently getting some form of down-hole deposition whereby the well will just quit taking water on a vacuum.

Q Are you treating the water prior to disposing of it?

A We have not treated it previously to this. We have investigated a scale treatment, but we do not know whether or not this will prevent the deposition of scale.

It works on laboratory scale, but we have not tried it yet so we don't know how it is going to work.

Q Are you using an open or closed system there?

A It is open.

- 1 Q So, possibly treatment of the water and maybe keeping the
- 2 oxygen off of it might result in less deposition of scale
- 3 in the well?
- 4 A There is that possibility. We have investigated it, but
- 5 we do not know how it is going to work.
- 6 Q Now, the fact that this form doesn't show any water
- 7 sands could indicate that there were water sands that
- 8 weren't reported and it might indicate there were no
- 9 water sands which weren't reported, also?
- 10 A That is a possibility, but to my knowledge, there were no
- 11 water sands reported.
- 12 Q As far as you know, these windmills are not being used,
- 13 but have you tried to make a determination as to whether the
- 14 windmills are being used or not?
- 15 A We have not tried to determine whether they are being
- 16 used; just when we surveyed to find out where they were
- 17 located, they were not in use.
- 18 Q They weren't turning at that time or what?
- 19 A No, they weren't turning.
- 20 Q Was there any wind that day?
- 21 A I do not know. This survey was made under my direction,
- 22 but it was not made personally by me.
- 23 MR. NUTTER: Are there any other questions of Mr.
- 24 Roberts? He may be excused.
- 25 (Witness excused.)

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MR. NUTTER: Do you have anything further, Mr. Russell?

MR. RUSSELL: Nothing further, Mr. Examiner.

MR. NUTTER: Does anyone have anything they wish to offer in Case 4409? Take the case under advisement.

I N D E X

WITNESS

PAGE

OMER ROBERTS

Direct Examination by Mr. Russell

2

Cross Examination by Mr. Nutter

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E X H I B I T S

Applicant's 1 and 2

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STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

I, GLENDA BURKS, 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 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.

Glenda Burks
 Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Bernalillo hearing of Case No. 4490, dated at 3/17 1977.
Glenda Burks
 New Mexico Oil Conservation Commission

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

February 3, 1971

EXAMINER HEARING

IN THE MATTER OF:

Application of Texas Pacific Oil
Company for an exception to
Order No. R-3221, as amended,
Eddy County, New Mexico

Case No. 4490

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF PROCEEDINGS

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MR. NUTTER: We'll call Case Number 4490.

MR. HATCH: Case 4490, Application of Texas Pacific Oil Company for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. The Commission has received request from the Applicant that this case be continued to the first case in March.

MR. NUTTER: Case 4490 to be held at this same place on March 3rd, 1971.

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1 STATE OF NEW MEXICO)
2) SS
3 COUNTY OF BERNALILLO)

4 I, CHARLOTTE J. MACIAS, Court Reporter in and for the
5 County of Bernalillo, State of New Mexico, do hereby certify
6 that the foregoing and attached Transcript of Hearing before
7 the New Mexico Oil Conservation Commission was reported by
8 me and that the same is a true and correct record of the said
9 proceedings, to the best of my knowledge, skill and ability.

10 
11 Court Reporter

22 I do hereby certify that the foregoing is
23 a complete record of the proceedings in
24 the Examiner hearing of Case No. 4475
25 heard by me on 2/3 1971.


New Mexico Oil Conservation Commission

MR. NUTTER: The next case will be Case 4490.

MR. HATCH: Case 4490. Application of Texas Pacific Oil Company for an exception to Order No. R-3221, as amended, Eddy County, New Mexico.

The applicant in this case has requested that it be continued to the examiner hearing on February 3, 1971.

MR. NUTTER: Case 4490 will be continued to the examiner hearing to be held at 9 o'clock a.m., February 3, 1971, at this same place.

STATE OF NEW MEXICO)
) ss
COUNTY OF SANTA FE)

I, ETHEL S. ROMERO, Secretary, Oil Conservation Commission,
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 said proceedings to the best of my knowledge, skill and
ability.

Ethel S. Romero
Ethel S. Romero

I do hereby certify that the foregoing is
a true and correct record of the proceedings at
the Examiner hearing of Case No. 4492,
conducted by me on April 13, 1971.
[Signature], Examiner
New Mexico Oil Conservation Commission