

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 7, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Dalport Oil Corporation) CASE
for exception to the provisions of) 5612
Order No. R-3221, Chaves County,)
New Mexico.)

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission: William F. Carr, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant: Sim B. Christy, IV, Esq.
JENNINGS, CHRISTY & COPPLE
Attorneys at Law
1012 Security National Bank Bldg.
Roswell, New Mexico

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LEON LAMPERT

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1 MR. STAMETS: We will call Case 5612.

2 MR. CARR: Case 5612, application of Dalport Oil
3 Corporation for exception to the provisions of Order No.
4 R-3221, Chaves County, New Mexico.

5 MR. CHRISTY: Sim Christy, Jennings, Christy and
6 Copple, Roswell, New Mexico. We have one witness, Mr. Examiner.

7 (THEREUPON, the witness was duly sworn.)

8 MR. CHRISTY: If it is satisfactory to the Examiner
9 I will re-mark the exhibits after the case.

10 LEON LAMPERT

11 called as a witness, having been first duly sworn, was
12 examined and testified as follows:

13
14 DIRECT EXAMINATION

15 BY MR. CHRISTY:

16 Q Would you please state your name, address, by whom
17 you are employed and in what capacity?

18 A Leon Lampert, Dalport Oil Corporation, Corpus Christi,
19 Texas.

20 Q Mr. Lampert, are you familiar with the application
21 in Case 5612 and what is sought by it?

22 A Yes, sir.

23 Q Are you familiar with the wells in the general area
24 of the application and their producing characteristics?

25 A I am.

1 Q Briefly tell the Examiner what is sought by the
2 application?

3 A Dalport drilled its Number 3 State C in Section 16
4 of 15 South, 30 East.

5 Q At this point you may wish to refer to what has
6 been marked as Applicant's Exhibit A and is that well depicted
7 on that exhibit?

8 A Yes.

9 Q Go right ahead.

10 A We completed it in December of 1975 for twelve
11 barrels of oil and seventy-five barrels of water a day.

12 Q What formation?

13 A Out of the Queen at twenty-three hundred feet.

14 Q All right, sir.

15 A And we are putting the water into a pit next to
16 our tank battery which is in location D of the same section
17 and we want to continue putting the water into this same pit,
18 which is an unlined pit.

19 Q About what size is this pit?

20 A It is approximately twelve by twenty, it's not a
21 very large pit, it's approximately twelve by twenty.

22 Q Is there any produced water being presently
23 disposed of in the pit?

24 A Yes, sir, the 1 and 2 wells make about a barrel a
25 day each and plus this water from the Number 3.

1 Q By the way, have you previously obtained authority
2 to dispose the Number 1 and 2 wells into the pit?

3 A We are not making an excess of water so we are
4 just putting that one barrel a day in.

5 Q I see. Now, your exhibit indicates that the salt
6 water being produced from the Number 3 well is about seventy-
7 five barrels. Could you explain that a little further,
8 please?

9 A At the time I made these maps it was seventy-five
10 barrels and we tested the well January 1st and January 2nd
11 and we found that the water is sixty-three barrels a day and
12 the oil has come up, the oil has doubled.

13 Q So that I understand if the application is granted
14 the total amount put into the pit would be less than seventy
15 barrels?

16 A Yes, about sixty-four or five barrels a day.

17 Q Are there any fresh water wells in the area, and
18 you might want to refer to Exhibit B?

19 A Exhibit B shows in yellow the actual fresh water
20 wells within, say, fifteen miles and there are none in the
21 area. The direction of water flow taken from a Bureau of
22 Mines bulletin, is to the south and to the southwest. This
23 is the fresh water flow. But we have no fresh water tanks,
24 no fresh water wells within three-and-a-half miles. The
25 nearest would be to the southeast of us in Section 25 of 15

1 South, 30. The one in the lower right is the closest well.
2 As another item, none of the wells are really very good, they
3 are just barely cattle producing wells.

4 Q But again, the flow of your water would not be
5 towards those wells?

6 A Right, it would be to the south and southwest and
7 wouldn't be close to any of those wells.

8 Q Do you have a log on the well in question?

9 A Yes, sir, that's Exhibit C, one and two. The log
10 C-one is a log of the Number 2 State C, which is the well
11 adjacent to the pit and it shows where some water was found
12 in some cable tools wells nearby.

13 Q At about what depth is that?

14 A At around four hundred and ninety or five hundred
15 feet.

16 Q Do you know whether or not that is salt or fresh
17 water?

18 A We're not positive. We consider it as salt water.

19 Q Because of the depth?

20 A Because of the depth and we're just calling it water,
21 we're just assuming that it is salt water.

22 Q And what is Exhibit C-Two?

23 A C-two is another well nearby, showing the zone that
24 the water came from, that's that McClellan Number 1-17 in the
25 northeast-northeast of Section 17 where they recovered two-

1 and-a-half bailers an hour of water.

2 Q At about what depth?

3 A At four eighty to four eighty-seven.

4 Q Do you know whether that's fresh or salt water?

5 A We are really not sure. It's right above the Rustler.

6 The Rustler in that well is six hundred feet and this water
7 was at four eighty, so it's in the red bed section above the
8 Rustler and we are just assuming that it is salt water.

9 Q Do you think that's a reasonable assumption?

10 A Yes, I sure do. The fresh water, according to the
11 ranchers in the area is located on that Exhibit Two at one
12 hundred to one hundred and twenty-five to one hundred and
13 thirty feet.

14 Q Do you have an opinion as to whether or not the
15 granting of the application in this case would prevent
16 waste without violating the correlative rights of any
17 interested party?

18 A It would enable us to produce approximately twenty-
19 one to twenty-four barrels of oil a day without a considerable
20 expense that would be involved in trucking water out of a
21 tank.

22 Q I, therefore, gather that it would prevent waste by
23 the granting of this application?

24 A Yes, it sure would.

25 Q Were Exhibits One and Two prepared by you or under

1 your direct supervision?

2 A. Yes, sir.

3 MR. CHRISTY: That's all.

4

5 CROSS EXAMINATION

6 BY MR. STAMETS:

7 Q. Mr. Lampert, do you know what the depth of the water
8 is on that well that is labeled Pine Tree well?

9 A. Which exhibit is that?

10 Q. Exhibit B.

11 A. No, sir, that's the only well -- when I contacted
12 the rancher for a previous hearing -- it's the only well that
13 he did not mention or did not discuss on this plat. I sent
14 him this plat and I asked him to write down the depths and I
15 have all the depths of all the wells. That's the only one
16 that's not listed but every other well in there is like
17 between one hundred and one hundred and fifty feet deep. And
18 so since we are putting water into the surface, I just don't
19 know how we can affect any fresh water in the area. Fresh
20 water is very scarce in the area.

21 Q. Mr. Lampert, I wish you would make another attempt
22 to determine what the depth of the water on the Pine Tree well
23 is, as well as the surface elevation of the same?

24 A. Well, the surface elevation, that's the cap, right
25 adjacent to the cap and the topography is dipping west. It's

1 a higher elevation there than where we are at the well we
2 drilled. The elevation at the drill site is four thousand,
3 fifty-seven and the elevations rise going toward that cap,
4 so that well would be at a higher elevation.

5 Q Okay, if you can determine that from the topo sheet
6 that will be helpful as well.

7 A I will try. There is no topo sheet on that area.
8 I tried to get that and it stops over in fifteen, twenty-nine,
9 unless the USGS or somebody has one that I don't know about.

10 But I do know for a fact, from just the other dry
11 holes through that country that the elevations are rising
12 toward that cap and once they hit the cap it goes to forty-
13 two, forty-three hundred, I believe.

14 Q I believe a waterflood project is planned in the
15 Double L Queen pool, has any consideration been given to
16 eventually piping this water over there for use as injection
17 water?

18 A No, sir. Are you talking about these Rash wells?

19 Q No, from the salt water being produced with the
20 oil from the Number 3 well.

21 A Oh, no, there has been no consideration of that
22 at all.

23 Q Would that be a practical alternative?

24 A I don't think so because there is not enough volume
25 of salt water that has been produced. I think that later on

1 in another case you will find that they probably need five
2 hundred or a thousand barrels a day for the flood and I know
3 we don't have the volume in that one well and we have no other
4 leases in the area that make any appreciable water so I don't
5 think there would be a source of water there.

6 Q If you were to drill a dry hole adjacent to this
7 well, would that be an alternative?

8 A You mean for disposal?

9 Q Yes.

10 A It would be a thirty-five or forty thousand dollar
11 alternative, yes, sir. It would cost thirty-thousand dry
12 and then with the completion and the injection I would say it
13 would be another twenty. It would be almost like a pumping
14 well, it would be about fifty-five thousand dollars for
15 disposing of that water on a twenty or twenty-three barrel
16 oil well, which I know we wouldn't do. Of course, sometimes
17 they don't listen to the geologist but I'm pretty sure that
18 I would not recommend spending that kind of money for it.

19 MR. STAMETS: Any other questions of this witness?
20 He may be excused.

21 (THEREUPON, the witness was excused.)

22 MR. CHRISTY: I offer into evidence Applicant's
23 Exhibits A, B, C-1 and C-2.

24 MR. STAMETS: These exhibits will be admitted into
25 evidence.

1 (THEREUPON, Applicant's Exhibits A, B,
2 C-1 and C-2 were admitted into evidence.)

3 MR. STAMETS: Anything further in this case?

4 MR. CHRISTY: We will advise the Examiner as quickly
5 as possible of the depth of the Pine Tree Well and the
6 elevation.


7 That's all we have.

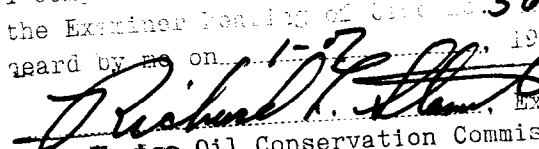
8 MR. STAMETS: The case will be taken under advisement.

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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.


Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete and correct report of the proceedings in
the Examiner's hearing of the 10-5612,
heard by me on 1-17-76.

Richard D. Starn, Examiner
New Mexico Oil Conservation Commission