BEFORE THE

OIL CONSERVATION COMMISSION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

MAR I Same

APPLICATION OF YATES PETROLEUM

CORPORATION FOR SALT WATER DISPOSAL,

LEA COUNTY, NEW MEXICO.

CASE NO. 10463

ENTRY OF APPEARANCE

COMES NOW CAMPBELL, CARR, BERGE & SHERIDAN, P.A., and hereby enters its appearance in the above referenced case on behalf of Yates Petroleum Corporation.

Respectfully submitted,

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.,

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR YATES PETROLEUM CORPORATION

BEFORE THE

OIL CONSERVATION COMMISSION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES RECEIVED

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APPLICATION OF YATES PETROLEUM CORPORATION FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

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ATTORNEYS FOR YATES
PETROLEUM CORPORATION

Charles R. Martin, Inc.

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POST OFFICE BOX 706

192 FE 2n 6例 8 54

ARTESIA, NEW MEXICO 88211-0706

February 20, 1992

LETTERS & OBJECTION AND WITH DRAWALS

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210-2122

Attention: Mr. Jim Brown

Re: Yates' Red Hat SWD #1
Unit O, Section 2-16S-33E
Lea County, New Mexico

Application for Authority to Inject

Dear Jim:

Referring to the conversation of Tuesday, February 18, 1992, Charles R. Martin, Inc., wishes to file an objection to the above captioned application.

Very truly yours,

CHARLES R. MARTIN, INC.

By Callett H. Ozbars Albert H. Ozborn, General Manager

Charles R. Martin Ranch

AHO:ldb Enclosures

cc: State of New Mexico

Energy and Minerals Department

Post Office Box 2088

Santa Fe, New Mexico 87504-2088

OF CONSEL A DIVISION

*92 MBH 3 AM 9 33 806-794-6868

T. MIKE FIELD 5730 66TH STREET LUBBOCK, TEXAS 79424

February 27, 1992

Mr. David Catanach, Engineer Oil Conservation Division State of New Mexico P. O. Box 2088 Santa Fe, New Mexico 87504

APPLICATION FOR AUTHORITY TO INJECT -- YATES RED HAT SWD #1, LOCATED IN SECTION 2-16S-33E, LEA COUNTY, NEW MEXICO

Dear Mr. Catanach:

ATTORNEY-AT-LAW

TEXAS

On behalf of Dan Field and myself, Lessees of the above referenced Section Two, we wish to contest the application of Yates in regard to locating a salt water disposal well in Section Two. Our reason for objection is that this is ranch land and we are concerned that the long term use of this property will be adversely affected by an underground saltwater disposal line. We do not think that the use contemplated by Yates is consistent with the use that we have as Lessees and would ask that the State respectfully deny this application. Thanking you for your consideration in this regard, I remain,

> Very truly yours, 2 milioneth

Mike Field

cc: Yates Petroleum

PER PHONE CONNERSATION OF MIKE 3-11.92 3-45 PM THEY HAVE IND OBJECTION AIND MOUSE INDI JETHAT A HEARING

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

March 12, 1992

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

Yates Petroleum Corporation 105 South 4th Street Artesia, New Mexico 88210

Attn: Jim Brown

RE: Application to convert the Red Hat State Unit Well

No. 1, O-2-16S-33E, to a salt water disposal well into the San Andres and Glorieta formations.

Case 10463

Dear Mr. Brown:

As you are aware an objection to your administrative application in the subject matter was filed by Charles R. Martin, Inc. who is an interested party.

This application therefore has been set for hearing before an examiner scheduled for April 2, 1992, which was the earliest possible docket available. Please provide adequate notice of this care pursuant to Division Rule 1207.

Please contact me, should you have any questions concerning this matter.

Sincerely,

MICHAEL E. STOGNER

Chief Hearing Officer/Engineer

MES/jc

cc: Oil Conservation Division - Artesia

Charles R. Martin, Inc. - Artesia

Just 10463

Charles R. Martin, Inc.

POST OFFICE BOX 706

ARTESIA, NEW MEXICO 88211-0706

OIL CONSERVE ON DIVISION

RESE YED

'92 MAH 23 AM 9 18

March 19, 1992

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
Post Office Box 2088
State Land Office Building
Santa Fe, New Mexico 87504

Attention: Mr. Michael E. Stogner

Re: Application to convert the Red Hat State Unit Well No. 1, O-2-16S-33E, to a salt water disposal well into the San Andres and Glorietta formations - Yates Petroleum Corporation

Dear Mr. Stogner:

Pursuant to our telephone conversation of Monday, March 16, 1992, with David Catanack, Charles R. Martin, Inc. is withdrawing the objection to the above captioned which was filed on February 20, 1992. However, this in no way implies consent of such project.

It is strongly suggested that water wells within the radius of one (1) mile of any salt water disposal well be tested annually. This would provide data for any future projects of this magnitude and alleviate fear of fresh water contamination.

There are several oil wells in this specific area (east of the Headquarters) that may be improperly plugged. Would a project such as this have an impact on these wells?

Surface lessees would sincerely appreciate notification of salt water disposal wells in the area.

Your consideration into these matters is appreciated. May we receive your reply at an early date.

Very truly yours,

Charles R. Martin, Inc.

By albert H. Ogbornes

cc: Yates Petroleum Corporation - Attention: Mr. Randy

Patterson

Yates Petroleum Corporation - Attention: Mr. Jim Brown

State of New Mexico ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT Santa Fe, New Mexico 87505



BRUCE KING GOVERNOR ANITA LOCKWOOD CABINET SECRETARY MATTHEW BACA DEPUTY SECRETARY

April 7, 1992

CAMBELL, CARR, BERGE & SHERIDAN
Attorneys at Law
P. O. Box 2208
Santa Fe, New Mexico 87504

RE: CASE NO. 10463

ORDER NO. R-9660

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Florene Davidson

OC Staff Specialist

FD/sl

cc:

BLM Carlsbad Office

Albert H. Ozborn

Florene Dairason

Mike Field

VILLAGRA BUILDING - 408 Galisteo

Forestry and Resources Conservation Division P O. Box 1948 87504-1948 827-5830

Park and Recreation Division P O. Box 1147 87504-1147 827-7465 2040 South Pacheco

Office of the Secretary 827-5950

Administrative Services 827-5925

Energy Conservation & Management

Energy Conservation & Managemer 827-5900

Mining and Minerals 827-5970 LAND OFFICE BUILDING - 310 Old Santa Fe Trail

Oil Conservation Division P.O. Box 2088 87504 2088 827-5800