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I N D E X

PHELPS WHITE

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MR. STOGNER: We will call next
Case Number 8757.

MR. TAYLOR: Application of
Cibola Energy Corporation for salt water disposal, Chaves
County, New Mexico.

MR. CARSON: Mr. Examiner, my
name is Joel Carson, Losee and Carson, P. A., Artesia, New
Mexico, appearing on behalf of the applicant.

I have one witness, Mr. Phelps
White, who has previously testified in Case Number 8756, as
a geologist and his qualifications were then acceptable.

MR. STOGNER: Are there any
other appearances?

There being none, let the
record so show that Mr. White was previously sworn and his
credentials were accepted.

Please continue, Mr. Carson.

PHELPS WHITE,
being called as a witness and being previously sworn upon
his oath, testified as follows, to-wit:

DIRECT EXAMINATION

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BY MR. CARSON:

Q For the record, again, Mr. White, would you please state your name?

A My name is Phelps White.

Q And you are employed by Cibola Energy?

A That's correct.

Q Would you state the purpose of this application?

A It's an application by Cibola Energy Corporation for salt water disposal in Chaves County, New Mexico. We seek authority to dispose of produced water into the San Andres formation in the perforated interval from 2209 to 2241 feet in the Plains 29 No. 9 Well, located 990 feet from the north and west lines of Section 29, 10 South, 28 East, in the Racetrack San Andres Pool.

Q Mr. White, I'm going to refer you to Applicant's Exhibit Number One and ask if you would identify that?

A That's our application for salt water disposal.

Q And Applicant's Exhibit Number Two shows a receipt from the United States government for mail sent to Plains Radio Broadcasting, does it not?

A That's correct. They're the surface own-

1 ers.

2 Q Plains is the surface owner. Have you
3 had any response to that letter?

4 A They are big owners in the well and they
5 are wanting us to get on with it. Yes, we have.

6 Q Now, the surrounding, have you also noti-
7 fied the surrounding operators, as the rules require?

8 A We are the only operators within several
9 miles of the area.

10 Q I will refer you to Applicant's Exhibit
11 Number Two and ask if you would explain that.

12 A You mean Number Three?

13 Q Three, I'm sorry.

14 A This is a diagram of the well as it will
15 be when we are injecting fluid. It shows the packer at
16 2150; perf zone from 2209 to 2241.

17 Q I refer you to Applicant's Exhibit Number
18 Four and ask you to explain that.

19 A This is a plat showing all the well with-
20 in a half mile radius of the proposed injection well.

21 Q Once again, you're the operator of all of
22 those wells?

23 A That's correct.

24 Q Okay. I refer you to Applicant's Exhibit
25 Number Five and ask if you would explain that.

1 miner to take administrative notice of those logs so we
2 don't have to reproduce them again.

3 MR. STOGNER: I will take such
4 administrative notice of the logs filed with the Artesia
5 District Office.

6 Q Exhibit Number Seven?

7 A That's the notice we ran in the Roswell
8 Daily Record for five days, notifying anybody that might be
9 interested that we were going to be injecting water.

10 Q Exhibit Number Eight? What is that?

11 A This is a water analysis done by the
12 State Engineer's office in Roswell of the water to be injected.
13

14 Q Exhibit Number Nine.

15 A This states that the estimated top of
16 cement for all the wells in the area is approximately 1500
17 feet. I've got on the back a supplementary deal that kind
18 of fine tunes it a little bit more, showing the top of the
19 cement ordered from 1435 to 600 feet. Exhibit Number
20 Twelve, there.

21 Q Exhibit Number Ten, what is that?

22 A This is the C-105 for the Plains 29-9
23 Well when it was completed, and also the 105 for all the
24 wells in the subject area which show the casing programs and
25 cement programs.

1 Q I'll now refer you to Applicant's Exhibit
2 Number Eleven and ask if you would identify that and explain
3 what it shows.

4 A This is a structure map on the top of the
5 San Andres showing that this well is low to all the other
6 wells in the field.

7 Q And Exhibit Number Twelve, what does that
8 show?

9 A This is the hand-calculated tops of
10 cement for all the wells in the area.

11 Q Mr. White, were Applicant's Exhibit One
12 through Twelve either prepared by you or under your supervi-
13 sion?

14 A That's correct.

15 MR. CARSON: I'd like to move
16 the introduction of these twelve exhibits.

17 MR. STOGNER: Exhibit One
18 through Twelve will be admitted into evidence.

19 Q Now, Mr. White, the water that you're
20 proposing to inject in this Plains Radio No. -- the Plains
21 29 Well, is that water better or worse quality than the
22 water in the -- presently in the formation?

23 A It's essentially the same water except
24 that we'll be adding some anti-scaling, so currently better.

25 Q In other words it's the water that you're

1 taking out of the San Andres and putting back into it, is
2 that correct?

3 A That's correct.

4 Q Is this -- in your opinion is the --
5 would the granting of this -- is this application which
6 you've made, is it, has it been done in connection with --
7 connection's not the word -- has it been done in accordance
8 with sound engineering practices, in your opinion?

9 A Yes.

10 Q And would the granting of this
11 application help you prolong the economic life of those
12 surrounding wells?

13 A Yes, it would.

14 Q And it would also prevent waste, is that
15 correct?

16 A That's correct.

17 MR. CARSON: I don't have any
18 further questions of this witness.

19

20 CROSS EXAMINATION

21 BY MR. STOGNER:

22 Q Mr. White, let's refer to Exhibit Number
23 Four and Twelve at the same time.

24 The wells that you show in the half mile
25 radius and the corresponding names of those wells on Exhibit

1 Twelve, are they all operated by Cibola Energy?

2 A Yes, that's right.

3 Q And are all these wells presently produc-
4 ing except for those last two listed on the exhibit, as
5 well?

6 A Well, the J. P. White No. 5 is not. The
7 CX Plains is.

8 The only two wells in the area that are
9 not producing are the 29-9, the one we want to convert, and
10 the D-11.

11 Q I'm sorry, and the what?

12 A Excuse me, the J. P. White D-11.

13 Q Okay.

14 A I'm sorry.

15 Q Okay. What pool or formation are all
16 these wells producing from?

17 A The Slaughter San Andres.

18 Q I'm not familiar with the name Slaughter
19 out here. Are you referring to the Racetrack San Andres
20 Pool?

21 A Yes.

22 Q Let's refer to the J. P. White D Well No.
23 11, which is second from the bottom listed on your Exhibit
24 Number Twelve. You say "no long string casing". Could you
25 tell me a little bit more about that well?

1 A Yes. We drilled the well with an air
2 rig. It was somewhat marginal; didn't look like it was
3 going to be a great well but didn't look like it was quite
4 bad enough to plug, and we were holding off completions on
5 that well.

6 Q What's the total depth on it?

7 A Approximately 2320.

8 Q Is there surface casing in this well?

9 A Yes, there is, at 320 feet and it was
10 circulated to the surface.

11 The fresh water zone in this area is at
12 around 220 feet deep.

13 Q And this well is just standing open from
14 320 feet to 2320 feet?

15 A That's correct.

16 Q When was this well drilled?

17 A I've got the 105 here. It was spudded on
18 the 10th of July, 1984.

19 Q The proper filing from that Well No. 11
20 has been made with the Oil Conservation Division District
21 Office in Artesia, has it not?

22 A Yes, that's correct.

23 Q Okay, I'll take administrative notice of
24 that well file.

25 A Well, we could -- it's in here, the C-103

1 saying we spudded the well is in that last, next to the last
2 exhibit.

3 MR. CARSON: It's page 16 of
4 Exhibit Ten.

5 MR. STOGNER: Okay.

6 Q Do you know when Cibola might complete
7 this well?

8 A We are not for certain when we might do
9 that.

10 Q Could this well be completed before in-
11 jection commences after this application was approved?

12 A We would probably not want to but if that
13 was necessary, we could do that.

14 Q Does the Artesia District Office know
15 that this well is open for about 2000 feet?

16 A Yes, they do.

17 Q Let's talk about the J. P. White No. 4.
18 That shows to be plugged and abandoned.

19 A That's correct, plus we've got the 105 in
20 there.

21 Q Okay.

22 A And it's the next page from the D-11 that
23 you were just looking at.

24 Q Was a long string or production string
25 ran on this one?

1 A No, but it was plugged pursuant to NMOCD
2 regulations.

3 Q I'm looking at the plugging report now.
4 You show that the first plug had 40 sacks of cement from
5 2224 feet to TD, which is 2375, is that correct?

6 A That's correct.

7 Q And then the next plug is from 1600 feet
8 to 1700 feet?

9 A That's correct.

10 Q What's between 1700 feet and 2224 feet?

11 A Drilling mud.

12 Q Is there any other oil producing zones
13 above the San Andres in this area?

14 A No, there isn't.

15 MR. STOGNER: I have no other
16 questions of this -- oh, I'm sorry, I do have one more ques-
17 tion.

18 Q You show to be -- you're going to have 2-
19 3/8ths inch tubing in the hole.

20 A That's correct.

21 Q Is this going to be plastic-lined?

22 A That's right.

23 MR. STOGNER: I have no other
24 questions of Mr. White.

25 Are there any other questions

1 of this witness?

2 If not, he may be excused.

3 Is there anything further in

4 Case Number 8757?

5 If not, this case will be taken

6 under advisement.

7

8 (Hearing concluded.)

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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division (Commission) was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete and true transcript of the proceedings in the Board hearing of case no. 8757, held by me on 31 November 1985.

Mark R. Rogers, Examiner
Oil Conservation Division