CARANCE AN ON BUILDING

30-015-20257

IT IS THEREFORE ORDERED: order R- 5250 8-3-76

(1) That the applicant, Roger C. Hanks, is hereby authorized to utilize its King Disposal Well No. 1, located in Unit C of Section 9, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 3 1/2-inch tubing installed in a packer set at a minimum depth of 1800 feet, with injection into the open-hole interval from approximately 10,300 feet to 10,550 feet;

PROVIDED HOWEVER, that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus or the annulus shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

(2) That the water disposed of into said well shall be chemically treated to prevent corrosion and scale build-up, and coupon corrosion tests shall be continuously conducted and the results thereof filed semi-annually with the Artesia District Office of the Commission.

(3) That the injection well or system shall be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than
★ three hundred-sixty (360) psi, provided however, the Secretary-Director of the Commission shall have the authority to increase the aforesaid pressure limit upon satisfactory showing that such pressure limit increase is warranted.

* 9-50 11 Well head process granted increases to 1000th by Jre Ranging

(4) That the operator shall notify the supervisor of the Artesia District Office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(5) That the operator shall immediately notify the supervisor of the Commission's Artesia District Office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

(6) ⁴ That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(7) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.