

SUBJECT: SALT WATER DISPOSAL WELL

ORDER NO. SWD-195

THE APPLICATION OF ENERGY RESERVES
GROUP FOR A SALT WATER DISPOSAL WELL.

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 701 (C) Energy Reserves Group made application to the New Mexico Oil Conservation Commission on November 7, 1977, for permission to complete for salt water disposal its Gallegos Canyon Unit Well No. 259 located in Unit P of Section 14, Township 28 North, Range 12 West, NMPM, San Juan County, New Mexico.

Now on this 2nd day of December, 1977, the Secretary-Director finds:

1. That application has been duly filed under the provisions of Rule 701 (C) of the Commission Rules and Regulations;
2. That satisfactory information has been provided that all offset operators and surface owners have been duly notified; and
3. That the applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 (C) will be met.
4. That no objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED:

That the applicant herein, Energy Reserves Group is hereby authorized to complete its Gallegos Canyon Unit Well No. 259 located in Unit P of Section 14, Township 28 North, Range 12 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the injection of salt water for disposal purposes into the Mesaverde formation at approximately 3320 feet to approximately 3350 feet through 2 3/8-inch plastic lined tubing set in a packer located at approximately 3270 feet.

IT IS FURTHER ORDERED:

That the operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

That the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

That the injection well or system shall be equipped with a pop-off valve or device which will limit the wellhead pressure to a maximum of 665 pounds per square inch; provided however that the Secretary-Director of the Commission may administratively authorize a pressure limitation in excess of the above upon the

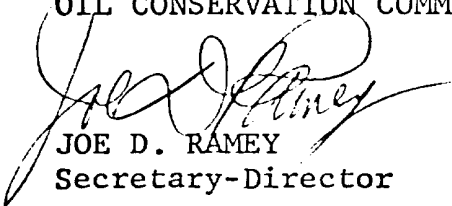
operator's establishing that such higher pressure will not result in fracturing of confining strata.

That the operator shall notify the supervisor of the Commission's Aztec District Office before injection is commenced through said well;

That the operator shall immediately notify the Supervisor of the Commission's Aztec 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 or necessary to correct such failure or leakage.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOE D. RAMEY
Secretary-Director