Enteret September 8,176 9

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE No. 4198 Order No. R-3487-A

APPLICATION OF CONTINENTAL OIL COMPANY FOR AMENDMENT OF ORDER NO. R-3487, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 27, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of September, 1969, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises.

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That by Order No. R-3487, dated September 9, 1968, the Commission authorized the applicant, Continental Oil Company, to utilize its Eaves "A" Well No. 10, located in Unit P of Section 19, Township 26 South, Range 37 East, NMPM, Scarborough Yates—Seven Rivers Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 3 1/2-inch tubing installed in a packer set at approximately 3195 feet, with injection into the perforated interval from approximately 3208 feet to 3255 feet.
- (3) That the applicant now seeks the reclassification of the aforesaid Eaves "A" Well No. 10 to a pressure maintenance project injection well for the injection of produced salt water

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into the Yates and Seven Rivers formations in the perforated and open-hole interval from approximately 3107 feet to 3410 feet.

- (4) That the subject well should be reclassified as a pressure maintenance project injection well.
- (5) That the proposed pressure maintenance project is in the interest of conservation and should result in greater ultimate recovery of oil, thereby preventing waste.
- (6) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.
 - (7) That Order No. R-3487 should be superseded.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Continental Oil Company, is hereby authorized to institute a pressure maintenance project in the Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico, by the injection of produced salt water into the Yates and Seven Rivers formations through its Eaves "A" Well No. 10, located in Unit P of Section 19, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico.
- (2) That said injection shall be accomplished through $3\ 1/2$ -inch tubing installed in a packer set at approximately 3080 feet, and into the perforated and open-hole interval from approximately 3107 feet to 3410 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus at the surface in order to determine leakage in the tubing, casing, or packer.

- (3) That the subject pressure maintenance project is hereby designated the Continental Scarborough Eaves Pressure Maintenance Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.
- (4) That monthly progress reports of the pressure maintenance project herein authorized shall be submitted to the Commission in

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accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

- (5) That Order No. R-3487, dated September 9, 1968, is hereby superseded.
- (6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
QIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALAX J. ARMYO. Member

A. L. PORTER, Jr., Member & Secretary

SEAL