

Entered November 19, 1968
A.P.

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. 3943
Order No. R-3579

APPLICATION OF CONTINENTAL OIL
COMPANY FOR A DUAL COMPLETION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 12, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of November, 1968, 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 the applicant, Continental Oil Company, is the co-owner and operator of the Lynn A-28 Well No. 5, located in Unit A of Section 28, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That by Order No. R-242, dated January 15, 1953, the subject well was authorized as a dual completion for the production of gas from the Yates formation and oil from the Seven Rivers formation; that the oil completion of the subject well has reached its economic limit of production.

(4) That the applicant now seeks authority to complete the subject well as a dual completion to produce gas from the Yates formation of the Jalmat Gas Pool through the casing-tubing

-2-

CASE No. 3943
Order No. R-3579

annulus and to dispose of produced salt water into the Seven Rivers formation of the Jalmat Pool through tubing below a packer set at approximately 3300 feet, with injection into the perforated interval from approximately 3340 feet to 3374 feet.

(5) That the produced salt water should be continuously treated prior to injection to prevent tubing corrosion and coupon corrosion tests should be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission.

(6) That approval of the dual completion and salt water disposal as set out above will prevent the drilling of unnecessary wells, and will otherwise prevent waste and protect correlative rights.

(7) That Order No. R-242 should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to complete its Lynn A-28 Well No. 5, located in Unit A of Section 28, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, as a dual completion to produce gas from the Yates formation of the Jalmat Gas Pool through the casing-tubing annulus and to dispose of produced salt water into the Seven Rivers formation of the Jalmat Pool through tubing below a packer set at approximately 3300 feet, with injection into the perforated interval from approximately 3340 feet to 3374 feet;

PROVIDED HOWEVER, that the produced salt water shall be continuously treated prior to injection to prevent tubing corrosion; that coupon corrosion tests shall be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission;

PROVIDED FURTHER, that the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(2) That Order No. R-242, dated January 15, 1953, is hereby superseded.

-3-

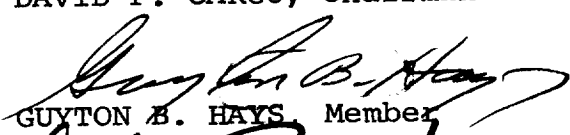
CASE No. 3943
Order No. R-3579

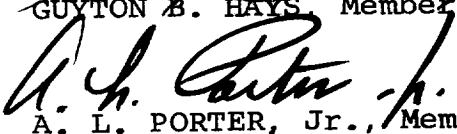
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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

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