

Entered May 10, 1978
JRK

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 5713
Order No. R-5730

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION COMMISSION
ON ITS OWN MOTION TO PERMIT AGUA, INC.
AND ALL OTHER INTERESTED PARTIES TO
APPEAR AND SHOW CAUSE WHY AGUA, INC.,
SHOULD BE AUTHORIZED TO RESUME SALT WATER
DISPOSAL INTO THE SAN ANDRES FORMATION
IN ITS SWD WELL NO. H-35 LOCATED IN UNIT
H OF SECTION 35, TOWNSHIP 22 SOUTH,
RANGE 37 EAST, NMPM, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 14, 1976, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 10th day of May, 1978, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 Agua, Inc. Salt Water Disposal Well No. H-35 located in Unit H of Section 35, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, is located in an area where water flows have been encountered in formations above the formations utilized for disposal and injection.

(3) That after what appeared to be mechanical problems with said well, the Secretary-Director of the Commission ordered said well to be shut-in at 8 a.m., September 26, 1975.

(4) That subsequent tests indicate said well to be mechanically sound.

(5) That a tracer survey conducted on said well indicates disposed of water to be entering the proper disposal interval.

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(6) That the plugged and abandoned well designated the Summit Energy Company Shell State Well No. 1, located in Unit D, Section 36, Township 22 South, Range 37 East, NMPM, is within one-half mile of said Well No. H-35.

(7) That the Summit Energy Company Shell State Well No. 1 may not be adequately plugged and could allow the migration of disposed water from the disposal interval to shallower formations or to fresh water aquifers if high pressure injection is permitted in said Well No. H-35.

(8) That injection should be allowed to resume in said Well No. H-35.

(9) That the injection pressure in said Well No. H-35 should be limited to 1000 psi.

IT IS THEREFORE ORDERED:

(1) That immediate resumption of injection into the San Andres formation is hereby authorized for the Agua, Inc. SWD Well No. H-35 located in Unit H of Section 35, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the injection well or system shall be equipped with a pressure limiting switch or other acceptable device which will limit the wellhead injection pressure to no more than 1000 psi.

(3) That the operator shall conduct bradenhead pressure surveys on said Well No. H-35 monthly and file the results with the Division Hobbs office.

(4) That upon proper showing that the Summit Energy Company Shell State Well No. 1 has been re-entered and properly plugged and abandoned, the Director of the Division may authorize increased injection pressure to a pressure slightly under formation fracture pressure.

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

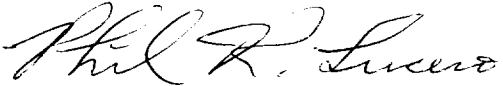
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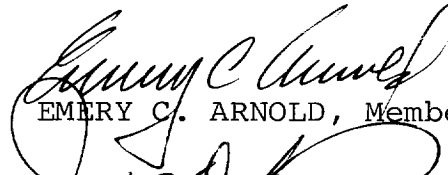
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

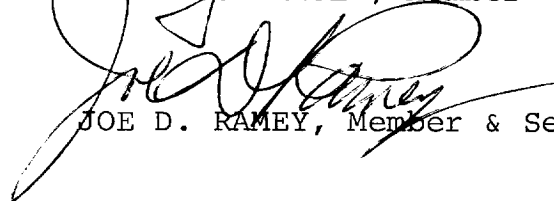
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

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