

Entered August 13, 1980
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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6979
Order No. R-6440

APPLICATION OF WOLFSON OIL
COMPANY FOR SALT WATER DISPOSAL,
ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 23, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of August, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Wolfson Oil Company, is the owner and operator of the Mountain-Federal Well No. 1, located in Unit G of Section 30, Township 7 South, Range 32 East, NMPM, Tomahawk-San Andres Pool, Roosevelt County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the San Andres formation, with injection into the perforated interval from approximately 4108 feet to 4164 feet.

(4) That the injection should be accomplished through 2-inch tubing installed in a packer set at approximately 3980 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge or approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

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(5) That the injection well or system should be equipped with a pressure limiting switch or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 825 psi.

(6) That the Director of the Division should be authorized to administratively approve an increase in the injection pressure upon a proper showing by the operator that such higher pressure will not result in migration of the injected waters from the San Andres formation.

(7) That within 30 days after the date of first injection into said Mountain-Federal Well No. 1 and semi-annually thereafter the applicant should conduct appropriate tests to assure the integrity of the injection tubing and packer.

(8) That the applicant should contact the supervisor of the Division's district office at Hobbs to establish an appropriate test procedure and an inspection schedule in order that the Division may witness such tests.

(9) That the results of such tests should be filed with the Division not later than 30 days following the conclusion thereof.

(10) That the operator should take all other 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.

(11) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Wolfson Oil Company, is hereby authorized to utilize its Mountain-Federal Well No. 1, located in Unit G of Section 30, Township 7 South, Range 32 East, NMPM, Tomahawk-San Andres Pool, Roosevelt County, New Mexico, to dispose of produced salt water into the San Andres formation, injection to be accomplished through 2-inch tubing installed in a packer set at approximately 3980 feet, with injection into the perforated interval from approximately 4108 feet to 4164 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 injection well or system shall be equipped with a pressure limiting switch or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 825 psi.

(3) That the Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the San Andres formation.

(4) That within 30 days after the date of first injection into said Mountain-Federal Well No. 1 and semi-annually thereafter the applicant shall conduct appropriate tests to assure the integrity of the injection tubing and packer.

(5) That the applicant shall contact the supervisor of the Division's district office at Hobbs to establish an appropriate test procedure and an inspection schedule in order that the Division may witness such tests.

(6) That the results of such tests shall be filed with the Division not later than 30 days following the conclusion thereof.

(7) That the operator shall immediately notify the supervisor of the Division's Hobbs 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.

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

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

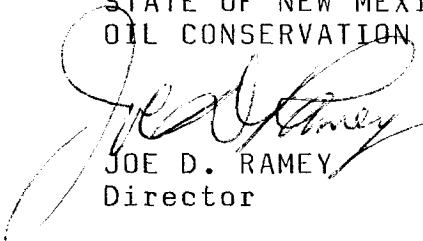
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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