

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. 7869
Order No. R-7358

APPLICATION OF AMOCO PRODUCTION COMPANY
FOR SALT WATER DISPOSAL AND AN UNORTHODOX
LOCATION, UNION COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 25, 1983,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 26th day of September, 1983, 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, Amoco Production Company, is the
owner and operator of the BDCDGU SE Gas Collection System SWD
Well No. 261, to be located 500 feet from the North line and
765.7 feet from the West line of Section 26, Township 19 North,
Range 34 East, NMPM, Bravo Dome Carbon Dioxide Gas Unit, Union
County, New Mexico.

(3) That the applicant proposes to utilize said well to
dispose of produced water into the Glorieta formation, with
injection into the perforated interval from approximately 1620
feet to 1680 feet.

(4) That the injection should be accomplished through 2
3/8-inch plastic lined tubing installed in a packer set at
approximately 1550 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 other acceptable device which will limit the wellhead pressure on the injection well to no more than 330 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 Glorieta formation.

(7) That the operator should notify the supervisor of the Santa Fe district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(8) That the operator should 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.

(9) 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, Amoco Production Company, is hereby authorized to utilize its BDCDGU SE Gas Collection System SWD Well No. 261 to be located 500 feet from the North line and 765.7 feet from the West line of Section 26, Township 19 North, Range 34 East, NMPM, Bravo Dome Carbon Dioxide Gas Unit, Union County, New Mexico, to dispose of produced water into the Glorieta formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 1550 feet, with injection into the perforated interval from approximately 1620 feet to 1680 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 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 other acceptable device which will limit the wellhead pressure on the injection well to no more than 330 psi.

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(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 Glorieta formation.

(4) That the operator shall notify the supervisor of the Santa Fe district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(5) That the operator shall immediately notify the supervisor of the Division's Santa Fe 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.

(6) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 706 and 1120 of the Division Rules and Regulations.

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

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY,
Director