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. 8523 Order No. R-7871

APPLICATION OF UNION TEXAS PETROLEUM CORPORATION FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY_THE DIVISION:

This cause came on for hearing at 8 a.m. on March 13, 1985, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this <u>llth</u> day of April, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Union Texas Petroleum Corporation, is the owner and operator of the Post Well No. 1, located 990 feet from the South line and 1650 feet from the West line of Section 1, Township 14 South, Range 37 East, NMPM, South King-Devonian Pool, Lea County, New Mexico.

(3) The applicant proposes to utilize said well to dispose of produced salt water into the Devonian formation, with injection into the perforated interval from approximately 12,729 feet to 12,802 feet.

(4) The proposed disposal of produced salt water will not adversely affect Devonian producing wells in the South King-Devonian Pool.

(5) The injection should be accomplished through 2 7/8-inch plastic lined tubing installed in a packer set at approximately 12,650 feet; the casing-tubing annulus should be called with an inert fluid; and a pressure gauge or approved -2-Case No. 8523 Order No. R-7871

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leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(6) 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 2,550 psi.

(7) 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 Devonian formation.

(8) The operator should notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(9) 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.

(10) Approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Union Texas Petroleum Corporation, is hereby authorized to utilize its Post Well No. 1, located 990 feet from the South line and 1650 feet from the West line of Section 1, Township 14 South, Range 37 East, NMPM, Lea County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 12,650 feet, with injection into the perforated interval from approximately 12,729 feet to 12,802 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) The injection well or system shall be equipped with a pressure limiting synch or other acceptable device which will

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limit the wellhead pressure on the injection well to no more than 2,550 psi.

(3) 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 Devonian formation.

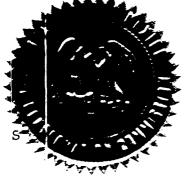
(4) The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(5) 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.

(6) The applicant shall conduct disposal operations and submit monthly reports in accordance with Rules 702, 703, 704, 705, 706, 708, and 1120 of the Division Rules and Regulations.

(7) 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 hereinaboye designated.



STATE OF NEW MEXICO OLL CONSERVATION DIVISION

R. L. STAMETS, Director