

Entered June 15, 1966
ALP

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. 3414
Order No. R-3079

APPLICATION OF PHILLIPS PETROLEUM
COMPANY FOR SALT WATER DISPOSAL,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 8, 1966,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 15th day of June, 1966, 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, Phillips Petroleum Company, is the
owner and operator of the following wells:

Phillips Santa Fe Well No. 97, located in Unit N
of Section 33, Township 17 South, Range 35 East,
NMPM, Lea County, New Mexico;

Phillips Santa Fe Well No. 86, located in Unit C
of Section 26, Township 17 South, Range 35 East,
NMPM, Lea County, New Mexico;

Phillips Santa Fe Well No. 58, located in Unit G
of Section 35, Township 17 South, Range 35 East,
NMPM, Lea County, New Mexico, and

Phillips M.E. Hale Well No. 11, located in Unit K
of Section 35, Township 17 South, Range 34 East,
NMPM, Lea County, New Mexico.

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(3) That the applicant proposes to utilize the aforesaid Wells Nos. 97, 86, and 58 to dispose of produced salt water from the Vacuum Field area into the lower portion of the San Andres formation, with injection into the following intervals: Well No. 97: from 5092 feet to 5500 feet; Well No. 86: from 5115 feet to 5760 feet; and Well No. 58: from 4970 to 5720 feet.

(4) That the injection should be accomplished through 2 3/8-inch internally plastic-coated tubing installed in a packer set at approximately 5050 feet on the Phillips Santa Fe Well No. 97.

(5) That the injection should be accomplished through 2 3/8-inch internally plastic-coated tubing and under a blanket of oil in the annulus in the Phillips Santa Fe Well No. 58 and the Phillips Santa Fe Well No. 86.

(6) That the applicant, Phillips Petroleum Company, seeks authority to complete its Phillips M.E. Hale Well No. 11, located in Unit K of Section 35, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, as a dual completion to produce gas from the Vacuum-Yates Gas Pool through the casing-tubing annulus and to dispose of produced salt water into the lower portion of the San Andres formation, with injection into the perforated interval from 5014 feet to 5235 feet through 2 3/8-inch internally plastic-coated tubing installed in a packer set at approximately 4850 feet.

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

(8) That the applicant further seeks the establishment of an administrative procedure whereby additional wells could be placed on salt water disposal.

(9) That an administrative procedure should be established for approval of additional disposal wells, provided that the disposal will be into the lower portion of the San Andres formation, and provided further that the disposal interval is between 250 feet below the oil-water contact and 250 feet above the top of the Glorieta formation.

IT IS THEREFORE ORDERED:

(1) That the applicant, Phillips Petroleum Company, is hereby authorized to utilize the following three wells:

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Phillips Santa Fe Well No. 97, located in Unit N of Section 33, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico;

Phillips Santa Fe Well No. 86, located in Unit C of Section 26, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico; and

Phillips Santa Fe Well No. 58, located in Unit G of Section 35, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico;

to dispose of produced salt water from the Vacuum Field area into the lower portion of the San Andres formation, injection to be accomplished through 2 3/8-inch internally plastic-coated tubing installed in a packer set at approximately 5050 feet in the Phillips Santa Fe Well No. 97, and through 2 3/8-inch internally plastic-coated tubing and under a blanket of oil in the annulus in the Phillips Santa Fe Well No. 58 and Phillips Santa Fe Well No. 86, with injection into the following perforated intervals: Well No. 97: from 5092 feet to 5500 feet; Well No. 86: from 5115 feet to 5760 feet; and Well No. 58: from 4970 feet to 5720 feet.

(2) That the applicant, Phillips Petroleum Company, is hereby authorized to complete its Phillips M.E. Hale Well No. 11, located in Unit K of Section 35, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, as a dual completion to produce gas from the Vacuum-Yates Gas Pool through the casing-tubing annulus and to dispose of produced salt water into the lower portion of the San Andres formation in the perforated interval from 5014 feet to 5235 feet through 2 3/8-inch internally plastic-coated tubing installed in a packer set at approximately 4850 feet;

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Shut-In Pressure Test Period for the Vacuum-Yates Gas Pool.

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

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(4) That as an exception to Rule 701 of the Commission Rules and Regulations, the Secretary-Director is hereby authorized to approve additional salt water disposal wells in the Vacuum Field when an application for such authority has been filed in accordance with the requirements of Rules 701-B and 701-C of the Commission Rules and Regulations and the Secretary-Director determines that approval of the application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights;


PROVIDED HOWEVER, that the disposal is into the lower portion of the San Andres formation between 250 feet below the oil-water contact and 250 feet above the top of the Glorieta formation.

(5) 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


JACK M. CAMPBELL, Chairman


GUYTON B. HAYS, Member


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

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