

*Entered July 11, 1966
RLP*

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. 3423
Order No. R-3089

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION 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 29, 1966,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 11th day of July, 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, Pan American Petroleum Corporation,
is the owner and operator of the C. M. Farnsworth "B" Well No. 9,
located 660 feet from the South line and 1660 feet from the West
line of Section 7, Township 26 South, Range 37 East, NMPM, Scar-
borough Yates-Seven Rivers Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to
dispose of produced salt water into the Seven Rivers Reef formation
through the open hole interval from 3029 feet to approximately
3080 feet.

(4) That the proposed disposal zone is below the water-oil
contact and is non-productive at this location and at other struc-
turally lower locations, thereby averting waste.

(5) That the injection should be accomplished through 3 1/2-
inch internally plastic-coated tubing installed in a packer set at

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approximately 3027 feet; that the casing-tubing annulus should be filled with corrosion inhibited water; and that a pressure gauge should be attached to the annulus or the annulus left open at the surface in order to determine leakage in the tubing or packer.

(6) 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, Pan American Petroleum Corporation, is hereby authorized to utilize its C. M. Farnsworth "B" Well No. 9, located 660 feet from the South line and 1660 feet from the West line of Section 7, Township 26 South, Range 37 East, NMPM, Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers Reef formation, injection to be accomplished through 3 1/2-inch tubing installed in a packer set at approximately 3027 feet, with injection into the open hole interval from 3029 feet to approximately 3080 feet;

PROVIDED HOWEVER, that the tubing shall be internally plastic-coated; that the casing-tubing annulus shall be filled with corrosion inhibited water; and that a pressure gauge shall be attached to the annulus or the annulus left open at the surface in order to determine leakage in the tubing or packer.

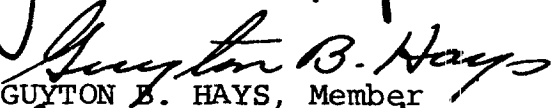
(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

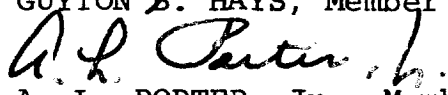
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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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