

*Entered November 7, 1967 /*  
*A.L.P.*

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. 3671  
Order No. R-3339

APPLICATION OF AMERADA 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 October 25, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 9th day of November, 1967, 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, Amerada Petroleum Corporation, is the owner and operator of the Bagley SWD Well No. 1 (formerly called the State BT "D" Well No. 4) located in Unit N of Section 2, the Caudle Well No. 1 located in Unit H of Section 10, and the Bagley SWD Well No. 2 (formerly called the L. H. Chambers Well No. 2) located in Unit C of Section 11, all in Township 12 South, Range 33 East, NMPM, Bagley Field, Lea County, New Mexico.

(3) That the applicant is presently authorized, by Order No. R-942, to utilize the aforesaid Bagley SWD Well No. 1 (formerly called the State BT "D" Well No. 4) to dispose of produced salt water into the Pennsylvanian formation, with injection into the interval from approximately 9045 feet to 9230 feet.

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(4) That the applicant is presently authorized, by Order No. R-2731, to utilize the aforesaid Bagley SWD Well No. 2 (formerly called the L. H. Chambers Well No. 2) to dispose of produced salt water into the Pennsylvanian formation, with injection into the interval from approximately 9005 feet to 9033 feet.

(5) That the applicant seeks authority to expand the disposal zones authorized for its Bagley SWD Wells Nos. 1 and 2 and authority to convert its Caudle Well No. 1 to salt water disposal.

(6) That the applicant proposes to inject produced salt water into the Pennsylvanian formation with injection into the intervals as follows:

The perforated and open-hole interval from approximately 8979 feet to 9291 feet in its Bagley SWD Well No. 1;

The perforated interval from approximately 9001 feet to 9326 feet in its Caudle Well No. 1; and

The perforated interval from approximately 9005 feet to 9303 feet in its Bagley SWD Well No. 2.

(7) That the injection should be accomplished through:

4-inch internally plastic-coated tubing  
installed in a packer set at approximately  
8960 feet in the Bagley SWD Well No. 1;

3 1/2-inch internally plastic-coated tubing  
installed in a packer set at approximately  
8990 feet in the Caudle Well No. 1; and

3 1/2-inch internally plastic-coated tubing  
installed in a packer set at approximately  
8903 feet in the Bagley SWD Well No. 2; and

that the casing-tubing annulus of each of the subject wells should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus of each of the subject wells or the annulus left open at the surface in order to determine leakage in the tubing or packer.

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

(9) That Order No. R-942 and Order No. R-2731 should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amerada Petroleum Corporation, is hereby authorized to utilize its following-described wells in Township 12 South, Range 33 East, NMPM, Bagley Field, Lea County, New Mexico, to dispose of produced salt water into the Pennsylvanian formation:

Bagley SWD Well No. 1 (formerly called the State BT "D" Well No. 4) located in Unit N of Section 2 — injection to be accomplished through 4-inch tubing installed in a packer set at approximately 8960 feet, with injection into the perforated and open-hole interval from approximately 8979 feet to 9291 feet;

Caudle Well No. 1 located in Unit H of Section 10 — injection to be accomplished through 3 1/2-inch tubing installed in a packer set at approximately 8990 feet, with injection into the perforated interval from approximately 9001 feet to 9326 feet; and

Bagley SWD Well No. 2 (formerly called the L. H. Chambers Well No. 2) located in Unit C of Section 11 — injection to be accomplished through 3 1/2-inch tubing installed in a packer set at approximately 8903 feet, with injection into the perforated interval from approximately 9005 feet to 9303 feet;

PROVIDED HOWEVER, that the tubing of each of the subject wells shall be internally-plastic coated; that the casing-tubing annulus of each of the subject wells shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus of each of the subject wells 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.

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(3) That Order No. R-942 and Order No. R-2731 are hereby superseded.


(4) 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

DAVID F. CARGO, Chairman

  
GUYTON B. HAYS, Member

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

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