

Entered January 31, 1968

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. 3717
Order No. R-3373

APPLICATION OF AZTEC OIL & GAS COMPANY
FOR A DUAL COMPLETION AND 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 January 24, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 31st day of January, 1968, 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, Aztec Oil & Gas Company, seeks authority to complete its State "AJ" Well No. 2, located in Unit N of Section 1, Township 18 South, Range 36 East, NMPM, Arkansas Junction-San Andres Pool, Lea County, New Mexico, as a dual completion to produce oil from the Upper San Andres formation in the interval from 5047 feet to 5079 feet and to dispose of produced salt water in the Lower San Andres formation in the interval from 5430 feet to 5462 feet through parallel strings of 2 1/16-inch internally plastic-coated tubing.

(3) That approval of the dual completion and salt water disposal as set out above will prevent the drilling of unnecessary wells, and will otherwise prevent waste and protect correlative rights.

-2-

CASE No. 3717

Order No. R-3373

IT IS THEREFORE ORDERED:

(1) That the applicant, Aztec Oil & Gas Company, is hereby authorized to complete its State "AJ" Well No. 2, located in Unit N of Section 1, Township 18 South, Range 36 East, NMPM, Arkansas Junction-San Andres Pool, Lea County, New Mexico, as a dual completion to produce oil from the Upper San Andres formation in the interval from 5047 feet to 5079 feet and to dispose of produced salt water in the Lower San Andres formation in the interval from 5430 feet to 5462 feet through parallel strings of 2 1/16-inch internally plastic-coated tubing;

PROVIDED HOWEVER, that the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

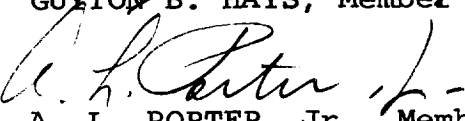
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

S E A L

esr/