Entered February 12, 1968 all

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. 3719 Order No. R-3377

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 February 7, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 12th day of February, 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, Amerada Petroleum Corporation, is the owner and operator of the L. H. Chambers Well No. 1, located in Unit F of Section 11, Township 12 South, Range 33 East, NMPM, Bagley Field, Lea County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the Siluro-Devonian formation, with injection into the perforated interval from 11,010 feet to 11,026 feet and the open-hole interval from 11,040 feet to 11,325 feet.
- (4) That the injection should be accomplished through 4-inch internally plastic-coated tubing installed in a packer set at approximately 11,000 feet; that the casing-tubing annulus

-2-CASE No. 3719 Order No. R-3377

should be filled with an inert fluid; 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.

(5) 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, Amerada Petroleum Corporation, is hereby authorized to utilize its L. H. Chambers Well No. 1, located in Unit F of Section 11, Township 12 South, Range 33 East, NMPM, Bagley Field, Lea County, New Mexico, to dispose of produced salt water into the Siluro-Devonian formation, injection to be accomplished through 4-inch tubing installed in a packer set at approximately 11,000 feet, with injection into the perforated interval from 11,010 feet to 11,026 feet and the open-hole interval from 11,040 feet to 11,325 feet;

PROVIDED HOWEVER, that the tubing shall be internally plastic-coated; 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 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

DAVID F. CARGO, Chairman

on

B. HAYS,

S E A L

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

Member

esr/