Entered august 1, 1968 A.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. 3814 Order No. R-3462

APPLICATION OF HUMBLE OIL & REFINING 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 July 24, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>lst</u> day of August, 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, Humble Oil & Refining Company, is the owner and operator of the New Mexico "G" State Well No. 17, located 330 feet from the South line and 1850 feet from the West line of Section 23, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Penrose zone of the Queen formation in the perforated interval from approximately 3818 feet to 3838 feet.

(4) That should injection into the Penrose zone of the Queen formation prove unsatisfactory, the applicant proposes

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to deepen said well to a total depth of 3990 feet and to also dispose of produced salt water into the Upper San Andres formation.

(5) That the applicant should be authorized to utilize the subject well to dispose of produced salt water into the Penrose zone of the Queen formation; that the injection should be accomplished through 2 3/8-inch plastic-lined tubing installed in a packer set at approximately 3750 feet; that the casing-tubing annulus 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.

(6) That should injection into said Penrose zone prove unsatisfactory, the applicant should be authorized to also dispose of produced salt water into the Upper San Andres formation utilizing the same facilities authorized for disposal into the Penrose zone of the Queen formation.

(7) 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, Humble Oil & Refining Company, is hereby authorized to utilize its New Mexico "G" State Well No. 17, located 330 feet from the South line and 1850 feet from the West line of Section 23, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to dispose of produced salt water into the Penrose zone of the Queen formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 3750 feet, with injection into the perforated interval from approximately 3818 feet to 3838 feet;

<u>PROVIDED HOWEVER</u>, That the tubing shall be plastic-lined; 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 if injection into said perforated interval proves unsatisfactory, the applicant is hereby authorized to deepen said well to a total depth of 3990 feet and to also dispose of produced -3-CASE No. 3814 Order No. R-3462

salt water into the Upper San Andres formation in the open-hole interval from 3890 feet to 3990 feet.

(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.

(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 7 *L* GIIVTON 8. HAYS, Membe tu

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

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