Entered August 20,1968

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. 3835 Order No. R-3478

APPLICATION OF SINCLAIR OIL & GAS 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 August 14, 1968, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 20th day of August, 1968, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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, Sinclair Oil & Gas Company, is the owner and operator of the State 25l Well No. 1, located in the SE/4 SE/4 of Section 28, Township 13 South, Range 33 East, NMPM, Lazy J-Pennsylvanian Pool, Lea County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the Upper Pennsylvanian formation, with injection into the perforated interval from approximately 9637 feet to 9682 feet.
- (4) That the injection should be accomplished through 2-inch tubing installed in a packer set at approximately 9600 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to

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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, Sinclair Oil & Gas Company, is hereby authorized to utilize its State 251 Well No. 1, located in the SE/4 SE/4 of Section 28, Township 13 South, Range 33 East, NMPM, Lazy J-Pennsylvanian Pool, Lea County, New Mexico, to dispose of produced salt water into the Upper Pennsylvanian formation, injection to be accomplished through 2-inch tubing installed in a packer set at approximately 9600 feet, with injection into the perforated interval from approximately 9637 feet to 9682 feet;

PROVIDED HOWEVER, 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;

PROVIDED FURTHER, that in the event the subject well is utilized for said disposal purposes after September 1, 1969, the tubing shall be plastic lined prior to said utilization.

- (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 CONSTRVATION COMMISSION

DAVID F. CARGO, Chairman

SEAL

esr/

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