

*Entered October 23, 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. 3888  
Order No. R-3532

APPLICATION OF AMERADA PETROLEUM  
CORPORATION FOR A DUAL COMPLETION,  
SALT WATER DISPOSAL AND TUBING  
EXCEPTION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 9, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 23rd day of October, 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, seeks authority to complete its State E "B" Well No. 1, located in Unit E of Section 27, Township 10 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion to produce oil from the North Echols-Devonian Pool through 2 3/8-inch tubing set at approximately 5300 feet and to dispose of produced salt water down the annulus between said tubing and the 5 1/2-inch production casing into the San Andres formation, with injection into the perforated interval from approximately 5220 feet to 5250 feet, separation of the zones to be by a packer set at approximately 5300 feet.

(3) That the applicant also seeks an exception to the tubing requirements of Rule 107 to permit said 2 3/8-inch tubing to be set more than 250 feet above the top of said pay.

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(4) That the subject well is a pumping well; that the fluid level in the well stands at approximately 3200 feet. That approval for the setting of the 2 3/8-inch tubing and the packer more than 250 feet above the Devonian perforations will not cause waste and will in fact reduce the hydrostatic head of the disposal water on said packer.

(5) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(6) That the produced salt water should be continuously treated prior to injection to prevent casing and tubing corrosion and coupon corrosion tests should be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission.

(7) 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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amerada Petroleum Corporation, is hereby authorized to complete its State E "B" Well No. 1, located in Unit E of Section 27, Township 10 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion to produce oil from the North Echols-Devonian Pool through 2 3/8-inch tubing set at approximately 5300 feet and to dispose of produced salt water down the annulus between said tubing and the 5 1/2-inch production casing into the San Andres formation, with injection into the perforated interval from approximately 5220 feet to 5250 feet, separation of the zones to be by a packer set at approximately 5300 feet;

PROVIDED HOWEVER, that the produced salt water shall be continuously treated prior to injection to prevent casing and tubing corrosion, and provided further, that coupon corrosion tests shall be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission;

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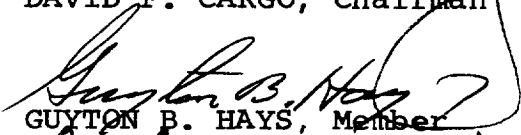
PROVIDED FURTHER, that the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.


(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

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