Entered October 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. 3905 Order No. R-3542

APPLICATION OF TEXAS PACIFIC OIL 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 October 23, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>31st</u> 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, Texas Pacific Oil Company, is the owner and operator of the State "O" Well No. 1, located in Unit J of Section 15, Township 10 South, Range 36 East, NMPM, South Crossroads-Devonian Pool, Lea County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the Devonian formation, with injection into the open-hole interval from approximately 12,269 feet to 12,541 feet.
- (4) That the applicant proposes to initially inject through 2 3/8-inch tubing installed in a packer set at approximately 12,105 feet and to continuously treat the produced water prior to injection to prevent corrosion of said 2 3/8-inch tubing, and to later replace said 2 3/8-inch tubing with internally plastic-coated tubing of larger diameter.

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- (5) That the casing-tubing annulus should be filled with an inert fluid and that a pressure gauge should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.
- (6) That 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 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, Texas Pacific Oil Company, is hereby authorized to utilize its State "O" Well No. 1, located in Unit J of Section 15, Township 10 South, Range 36 East, NMPM, South Crossroads-Devonian Pool, Lea County, New Mexico, to dispose of produced salt water into the Devonian formation, initial injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 12,105 feet, with injection into the open-hole interval from approximately 12,269 feet to 12,541 feet;

PROVIDED HOWEVER, that the produced salt water shall be continuously treated prior to injection to prevent tubing corrosion; 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; that the casing-tubing annulus shall be filled with an inert fluid and that a pressure gauge shall be attached to said annulus in order to determine leakage in the casing, 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.

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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO. Chairman

SUYTON B. HAYS, Member

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

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