

Entered November 18, 1968
A.S.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. 3913
Order No. R-3558

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR SALT WATER DISPOSAL,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 7, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 18th day of November, 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, Pan American Petroleum Corporation, is the owner and operator of the Navajo Tribal "U" Well No. 1, located in Unit L of Section 21, Township 26 North, Range 18 West, NMPM, Tocito Dome-Pennsylvanian "D" Pool, San Juan County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Pennsylvanian "D" formation, with injection into the perforated interval from approximately 6267 feet to 6286 feet.

(4) That the injection should be accomplished through 2 3/8-inch plastic-lined tubing installed in a packer set at approximately 6200 feet; that the casing-tubing annulus should

-2-

CASE No. 3913

Order No. R-3558

be filled with an inert fluid; and that a pressure gauge should be attached to the annulus at the surface in order to determine leakage in the casing, 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.

(6) That the applicant further seeks the establishment of an administrative procedure whereby additional wells in the Tocito Dome-Pennsylvanian "D" Pool could be placed on salt water disposal.

(7) That an administrative procedure should be established for the approval of additional salt water disposal wells in the Tocito Dome-Pennsylvanian "D" Pool, provided that such additional salt water disposal wells are completed in a manner similar to the subject well.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby authorized to utilize its Navajo Tribal "U" Well No. 1, located in Unit L of Section 21, Township 26 North, Range 18 West, NMPM, Tocito Dome-Pennsylvanian "D" Pool, San Juan County, New Mexico, to dispose of produced salt water into the Pennsylvanian "D" formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 6200 feet, with injection into the perforated interval from approximately 6267 feet to 6286 feet;

PROVIDED HOWEVER, 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 at the surface 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 as an exception to Rule 701 of the Commission Rules and Regulations, the Secretary-Director is hereby authorized to approve additional salt water disposal wells in the Tocito Dome-Pennsylvanian "D" Pool when an application for such authority

-3-

CASE No. 3913

Order No. R-3558

has been filed in accordance with the requirements of Rules 701-B and 701-C of the Commission Rules and Regulations and the Secretary-Director determines that approval of the application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights;

PROVIDED HOWEVER, that any such additional salt water well shall be completed in a manner similar to the subject well, and provided further, that such disposal shall be into the Pennsylvanian "D" formation below the oil-water contact.

(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

GUYTON B. HAYS, Member

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

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