Entered November 19, 1968 ass.

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. 3941 Order No. R-3581

APPLICATION OF AGUA, INC., FOR SALT WATER DISPOSAL, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 12, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th 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, Agua, Inc., is the owner and operator of the Empire-Abo SWD Well No. 01, formerly the Humble Federal Empire-Abo Well No. 3, located in Unit O of Section 1, Township 18 South, Range 27 East, NMPM, Empire-Abo Pool, Eddy County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the San Andres formation, with injection into the open-hole interval from approximately 2050 feet to 5400 feet.
- (4) That the injection should be accomplished through 2 7/8-inch plastic-lined tubing; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge

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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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Agua, Inc., is hereby authorized to utilize its Empire-Abo SWD Well No. 01, formerly the Humble Federal Empire-Abo Well No. 3, located in Unit O of Section 1, Township 18 South, Range 27 East, NMPM, Empire-Abo Pool, Eddy County, New Mexico, to dispose of produced salt water into the San Andres formation, injection to be accomplished through 2 7/8-inch tubing into the open-hole interval from approximately 2050 feet to 5400 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 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

SEAL

esr/

L. PORTER, Jr., Member & Secretary

HAYS, Member