Entered November 26, 1968 ast.

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. 3950 Order No. R-3589

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8:30 a.m. on November 20, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 26th 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 in the process of acquiring the Humble Oil & Refining Company Federal Andrews Well No. 1 (to become the Agua, Inc., Chaveroo SWD Well No. C-30), located in the NE/4 NW/4 of Section 30, Township 7 South, Range 33 East, NMPM, Chaveroo-San Andres Pool, Roosevelt 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 perforated interval from approximately 4148 feet to 4388 feet.
- (4) That the injection should be accomplished through 2 7/8-inch plastic-lined tubing set at approximately 4148 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the

-2-CASE No. 3950 Order No. R-3589

to the annulus at the surface in order to determine leakage in the casing or tubing.

(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 the Humble Oil & Refining Company Federal Andrews Well No. 1 (to become the Agua, Inc., Chaveroo SWD Well No. C-30), located in the NE/4 NW/4 of Section 30, Township 7 South, Range 33 East, NMPM, Chaveroo-San Andres Pool, Roosevelt County, New Mexico, to dispose of produced salt water into the San Andres formation through 2 7/8-inch tubing set at approximately 4148 feet, with injection into the perforated interval from approximately 4148 feet to 4388 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 or tubing.

- (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

TON B. HAYS, Member

SEAL

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

esr/