Enterit november 27, 1968 OLP.

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. 3959 Order No. R-3604

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

NOW, on this <u>27th</u> day of <u>November</u>, 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 L. Gutman Well No. 2, located in Unit J of Section 29, Township 25 South, Range 37 East, NMPM, Langlie-Mattix Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Seven Rivers formation, with injection into the perforated interval from approximately 2960 feet to 3068 feet.

(4) That the injection should be accomplished through 2 3/8-inch tubing set at approximately 2954 feet; that the casing-tubing annulus should be filled with a sweet oil; and that a pressure gauge should be attached to the annulus at the surface in order to determine leakage in the casing or tubing. -2-CASE No. 3959 Order No. R-3604

(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, Texas Pacific Oil Company, is hereby authorized to utilize its L. Gutman Well No. 2, located in Unit J of Section 29, Township 25 South, Range 37 East, NMPM, Langlie-Mattix Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 2 3/8-inch tubing set at approximately 2954 feet, with injection into the perforated interval from approximately 2960 feet to 3068 feet;

<u>PROVIDED HOWEVER</u>, that the casing-tubing annulus shall be filled with a sweet oil and that a pressure gauge shall be attached to the annulus at the surface in order to determine leakage in the casing or tubing;

<u>PROVIDED FURTHER</u>, that any injection of produced salt water after January 1, 1970, must be accomplished through plastic-lined 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

Membe

L. PORTER, Jr., Member & Secretary

SEAL

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