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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. 3979 Order No. R-3622

APPLICATION OF CONSOLIDATED OIL & GAS, INC., 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 December 2, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>9th</u> day of December, 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, Consolidated Oil & Gas, Inc., is the owner and operator of the Shipp Well No. 2, located in the NE/4 SE/4 of Section 17, Township 17 South, Range 37 East, NMPM, Midway-Abo Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Abo formation, with injection into the perforated and open-hole interval from approximately 8500 feet to 9200 feet.

(4) That the injection should be accomplished through 2-inch tubing installed in a packer set at approximately 8500 feet; that the casing-tubing annulus should 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 coupon tests should be conducted continuously on said well in order to detect corrosion and the results filed

-2-CASE No. 3979 Order No. R-3622

quarterly with the Commission until further notice from the Secretary-Director of the Commission.

That approval of the subject application will prevent (6) the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, Consolidated Oil & Gas, Inc., is (1)hereby authorized to utilize its Shipp Well No. 2, located in the NE/4 SE/4 of Section 17, Township 17 South, Range 37 East, NMPM, Midway-Abo Pool, Lea County, New Mexico, to dispose of produced salt water into the Abo formation, injection to be accomplished through 2-inch tubing installed in a packer set at approximately 8500 feet, with injection into the perforated and open-hole interval from approximately 8500 feet to 9200 feet;

PROVIDED HOWEVER, 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; that coupon 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 applicant shall submit monthly reports of its (2) disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

That jurisdiction of this cause is retained for the (3) 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 3 DAVID D. CARGO, Chairman n Bi GUXTON B. HAVE, Member in

SEAL

L. PORTER, Jr., Member & Secretary

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