Entered Homenay 24, 1969

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. 4031 Order No. R-3665

APPLICATION OF TEXACO 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 January 22, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>24th</u> day of January, 1969, 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, Texaco Inc., is the owner and operator of the C. W. Shepherd Federal "B" Well No. 5, located in Unit I of Section 1, Township 26 South, Range 36 East, NMPM, Jalmat Yates-Seven Rivers Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Yates-Seven Rivers formations, with injection into the open-hole interval from approximately 2964 feet to 3119 feet.

(4) That the injection should be accomplished through 2 3/8-inch plastic-lined tubing installed in a packer set at approximately 2900 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should -2-CASE No. 4031 Order No. R-3665

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, Texaco Inc., is hereby authorized to utilize its C. W. Shepherd Federal "B" Well No. 5, located in Unit I of Section 1, Township 26 South, Range 36 East, NMPM, Jalmat Yates-Seven Rivers Pool, Lea County, New Mexico, to dispose of produced salt water into the Yates-Seven Rivers formations, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 2900 feet, with injection into the open-hole interval from approximately 2964 feet to 3119 feet;

<u>PROVIDED HOWEVER</u>, 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

CALLER J. Jug 1 -1 ARMIJO, Member M

L. PORTER, Jr., Member & Secretary

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