Entered March 4, 1969 QLP.

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. 4058 Order No. R-3692

APPLICATION OF HIRAM W. KEITH AND DALTON HAINES 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 February 26, 1969 at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>4th</u> day of March, 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 applicants, Hiram W. Keith and Dalton Haines, are the owners and operators of the State Well No. 2, located in Unit K of Section 16, Township 21 South, Range 34 East, NMPM, West Wilson Pool, Lea County, New Mexico.

(3) That the applicants propose to utilize said well to dispose of produced salt water into the Seven Rivers formation, with injection into the open-hole interval from approximately 3874 feet to 3950 feet.

(4) That the injection should be accomplished through 2 1/2-inch plastic-lined tubing installed in a packer set at approximately 3850 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should -2-CASE No. 4058 Order No. R-3692

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 applicants, Hiram W. Keith and Dalton Haines, are hereby authorized to utilize their State Well No. 2, located in Unit K of Section 16, Township 21 South, Range 34 East, NMPM, West Wilson Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 2 1/2-inch tubing installed in a packer set at approximately 3850 feet, with injection into the open-hole interval from approximately 3874 feet to 3950 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 applicants shall submit monthly reports of the 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.

V. Carlos

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

Member EX J ARMINO PORTER, Jr., Member & Secretary

SEAL

esr/