Centered March 4,1969 D.F.

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. 4059 Order No. R-3693

APPLICATION OF HIRAM W. KEITH AND DALTON HAINES FOR SALT WATER DISPOSAL, EDDY 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 Eddy "AGA" State Well No. 2, located 660 feet from the North line and 1650 feet from the West line of Section 36, Township 26 South, Range 31 East, NMPM, North Mason-Delaware Pool, Eddy County, New Mexico.

(3) That the applicants propose to utilize said well to dispose of produced salt water into the Delaware formation, with injection into the open-hole interval from approximately 4130 feet to 4158 feet.

(4) That the injection should be accomplished through 2-inch plastic-lined tubing installed in a packer set at approximately 4100 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should -2-CASE No. 4059 Order No. R-3693

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 Eddy "AGA" State Well No. 2, located 660 feet from the North line and 1650 feet from the West line of Section 36, Township 26 South, Range 31 East, NMPM, North Mason-Delaware Pool, Eddy County, New Mexico, to dispose of produced salt water into the Delaware formation, injection to be accomplished through 2-inch tubing installed in a packer set at approximately 4100 feet, with injection into the open-hole interval from approximately 4130 feet to 4158 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, 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.

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STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

🥱, Member IN

. L. PORTER, Jr., Member & Secretary

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