

*Entered March 5, 1969*  
*A.L.P.*

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. 4068  
Order No. R-3699

APPLICATION OF MARTIN YATES III  
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 5th 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 applicant, Martin Yates III, is the owner and operator of the Yates & Hanson Bell McCord Well No. 1 and the Cordie King Well No. 2, located in Units E and K, respectively, of Section 22, Township 23 South, Range 26 East, NMPM, Dark Canyon Field, Eddy County, New Mexico.

(3) That the applicant proposes to utilize its aforesaid Yates & Hanson Bell McCord Well No. 1 to dispose of produced salt water into the Delaware formation, with injection into the open-hole interval from approximately 1833 feet to 1893 feet.

(4) That the injection should be accomplished through tubing installed in a packer set at approximately 1800 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the

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annulus or the annulus left open at the surface in order to determine leakage in the casing, tubing, or packer.

(5) That the applicant further seeks the establishment of an administrative procedure whereby its aforesaid Cordie King Well No. 2 in the Dark Canyon Field may be approved for the disposal of produced salt water without the requirement of notice and hearing.

(6) That an administrative procedure should be established whereby the aforesaid Cordie King Well No. 2 may be authorized for the disposal of produced salt water into the Delaware formation in the open-hole interval from approximately 1888 feet to 1906 feet, provided injection is accomplished through tubing installed in a packer set at approximately 1850 feet and provided further that the casing-tubing annulus is filled with an inert fluid and that a pressure gauge is attached to the annulus or the annulus left open at the surface in order to determine leakage in the casing, tubing, or packer.

(7) 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, Martin Yates III, is hereby authorized to utilize its Yates & Hanson Bell McCord Well No. 1, located in Unit E of Section 22, Township 23 South, Range 26 East, NMPM, Dark Canyon Field, Eddy County, New Mexico, to dispose of produced salt water into the Delaware formation, injection to be accomplished through tubing installed in a packer set at approximately 1800 feet, with injection into the open-hole interval from approximately 1833 feet to 1893 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 or the annulus left open 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 as an exception to Rule 701 of the Commission Rules and Regulations, the Secretary-Director is hereby authorized to

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approve the applicant's Cordie King Well No. 2, located in Unit K of Section 22, Township 23 South, Range 26 East, NMPM, Dark Canyon Field, Eddy County, New Mexico, for the disposal of produced salt water into the Delaware formation in the open-hole interval from approximately 1888 feet to 1906 feet, when an application for such authority has been filed and the Secretary-Director determines that approval of the application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights;

PROVIDED HOWEVER, that, for said salt water disposal purposes, injection shall be accomplished through tubing installed in a packer set at approximately 1850 feet; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus or the annulus left open at the surface in order to determine leakage in the casing, tubing, or packer.

(4) 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

ALEX J. ARMISTEO, Member

A. L. PORTER, Jr., Member & Secretary

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