

Continued April 1, 1969
A.J.O.

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. 4071
Order No. R-3724

APPLICATION OF T. J. SIVLEY
FOR A DUAL COMPLETION AND 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 March 26, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 1st day of April, 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, T. J. Sivley, seeks authority to complete his Federal Silver Well No. 4, located in the SW/4 SE/4 of Section 28, Township 20 South, Range 34 East, NMPM, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico, as a dual completion to produce oil from the Yates formation through 2-inch tubing and to dispose of produced salt water into the Seven Rivers formation through a parallel string of 2-inch tubing below a packer set at approximately 3725 feet, with injection into the open-hole interval from approximately 3729 feet to 3787 feet.

(3) That the applicant proposes, in the event the aforesaid completion proves to be unsatisfactory, to recomplete the subject

-2-

CASE No. 4071
Order No. R-3724

well in such a manner as to allow the disposal of produced salt water into the Yates formation in the perforated interval from approximately 3718 feet to 3725 feet as well as into the Seven Rivers formation.

(4) That approval of the dual completion and salt water disposal as set out above will prevent the drilling of unnecessary wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, T. J. Sivley, is hereby authorized to complete his Federal Silver Well No. 4, located in the SW/4 SE/4 of Section 28, Township 20 South, Range 34 East, NMPM, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico, as a dual completion to produce oil from the Yates formation through 2-inch tubing and to dispose of produced salt water into the Seven Rivers formation through a parallel string of 2-inch tubing below a packer set at approximately 3725 feet, with injection into the open-hole interval from approximately 3729 feet to 3787 feet;

PROVIDED HOWEVER, that should the aforesaid completion prove to be unsatisfactory, the Secretary-Director of the Commission is hereby authorized to approve the injection of produced salt water into the Yates formation in the subject well when an application for such authority has been filed in accordance with the requirements of Rules 701-B and 701-C of the Commission Rules and Regulations and the Secretary-Director determines that approval will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights;

PROVIDED FURTHER, that the applicant shall submit monthly reports of his disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(2) 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. ARMISTEAD, Member

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

S E A L

esr/