

Entered July 20, 1970
A.S.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. 4384
Order No. R-3999

APPLICATION OF SHELL OIL COMPANY
FOR SALT WATER DISPOSAL, CHAVES
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:30 a.m. on July 15, 1970, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 20th day of July, 1970, 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, Shell Oil Company, is the owner and operator of the Eastland Shell Federal Well No. 1, located in Unit A of Section 35, Township 8 South, Range 30 East, NMPM, Cato-San Andres Pool Area, Chaves County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the lower San Andres formation, with injection into the perforated interval from approximately 3606 feet to 3680 feet.

(4) That the injection should be accomplished through 2-inch plastic-lined tubing installed in a packer set at approximately 3590 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

-2-

CASE No. 4384

Order No. R-3999

(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, Shell Oil Company, is hereby authorized to utilize its Eastland Shell Federal Well No. 1, located in Unit A of Section 35, Township 8 South, Range 30 East, NMPM, Cato-San Andres Pool Area, Chaves County, New Mexico, to dispose of produced salt water into the lower San Andres formation, injection to be accomplished through 2-inch tubing installed in a packer set at approximately 3590 feet, with injection into the perforated interval from approximately 3606 feet to 3680 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 applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

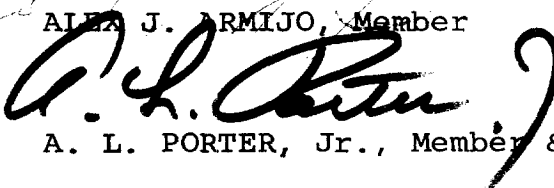
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMIJO, Member


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

S E A L

esr/