Entered Planch 4, 1911

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. 4505 Order No. R-4112

APPLICATION OF ATLANTIC RICHFIELD COMPANY 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 24, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>4th</u> day of March, 1971, 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, Atlantic Richfield Company, is the owner and operator of the Federal Well No. 2, located in Unit N of Section 9, Township 20 South, Range 33 East, NMPM, West Teas Yates-Seven Rivers Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Yates-Seven Rivers formation, with injection into the perforated interval from approximately 2980 feet to 3350 feet.

(4) That the injection should be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 2950 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be

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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 applicant, Atlantic Richfield Company, is hereby authorized to utilize its Federal Well No. 2, located in Unit N of Section 9, Township 20 South, Range 33 East, NMPM, West Teas Yates-Seven Rivers Pool, Lea County, New Mexico, to dispose of produced salt water into the Yates-Seven Rivers formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 2950 feet, with injection into the perforated interval from approximately 2980 feet to 3350 feet;

<u>PROVIDED HOWEVER</u>, 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

BRUCE KING, Chairman

Con China J. ABMIJO, Member

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

esr/

SEAL