Entered February 3, 19>6

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. 5619 Order No. R-4495-B

APPLICATION OF AGUA, INC. FOR AN EXTENSION OF TIME, ORDER NO. R-4495-A, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 20, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>3rd</u> day of February, 1976, 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, Agua, Inc., is the operator of the SWD Well No. C-2, located in Unit C of Section 2, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That by Order No. R-4495, dated March 21, 1973, the Commission authorized the use of said well for salt water disposal purposes, provided that disposal would be into the San Andres formation through the open-hole interval from 4,400 feet to 5,000 feet.

(4) That by Order No. R-4495-A, dated October 7, 1975, said Order No. R-4495 was amended to also permit, until February 7, 1976, the disposal of produced salt water into perforations between 4,230 feet and 4,320 feet.

(5) That the applicant seeks the amendment of said Order No. R-4495-A to permit an additional 90-day period for disposal into the aforesaid perforated interval.

(6) That the applicant is presently in the process of providing an additional disposal well for its salt water disposal system in the subject area. -2-Case No. 5619 Order No. R-4495-B

(7) That applicant has assured the Commission that the additional disposal well and related facilities can be put into operation prior to the expiration of the requested 90-day extension of time.

(8) That upon placing said well and related facilities in operation, applicant will be able to reduce disposal volumes in the subject well to a level which the open-hole interval from 4,400 feet to 5,000 will accept, and will then be able to discontinue disposal into the perforated interval from 4,230 feet to 4,320 feet.

(9) That the 90-day extension of time for disposal into the aforesaid perforated interval should be approved.

IT IS THEREFORE ORDERED:

(1) That the "PROVIDED FURTHER" Section of Order No. 1 of Commission Order No. R-4495-A is hereby amended to read in its entirety as follows:

> "PROVIDED FURTHER, that disposal into the aforesaid perforated interval from 4,230 feet to 4,320 feet shall not occur after May 7, 1976, and proper action shall be taken by the applicant to the satisfaction of the Supervisor of the Hobbs District Office of the Commission to prevent such disposal."

(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 hild. ducero PHIL R. LUCERO, Chairman que EMERY C ARNOLD, Member mer DOE D. RAMEY, Member & Secretary

SEAL

jr/