Entered June 25, 1974 ast. 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. 5261 Order No. R-4818 APPLICATION OF AMERADA HESS CORPORATION 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 June 19, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 25th day of June, 1974, 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:

- That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- That the applicant, Amerada Hess Corporation, is (2) the owner and operator of the H. C. Posey "A" Well No. 1, located in Unit O of Section 11, Township 12 South, Range 32 East, NMPM, East Caprock-Devonian Pool, Lea County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the Devonian formation, with injection into the openhole interval from approximately 11,160 feet to 11,230 feet.
- That the injection should be accomplished through 3 1/2-inch tubing installed in a packer set at approximately 7500 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge or other Commission-approved leak-detection device should be attached to the annulus or the annulus left open at the surface in order to determine leakage in the casing, tubing, or packer.
- That the water to be disposed of into said well is corrosive.

-2-Case No. 5261 Order No. R-4818

- (6) That if the applicant does not utilize internally coated tubing for the injection string, it should take such measures as may be required by the Secretary-Director of the Commission to minimize corrosion of the tubing or promptly detect any failure of the tubing, casing, 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, Amerada Hess Corporation, is hereby authorized to utilize its H. C. Posey "A" Well No. 1, located in Unit O of Section 11, Township 12 South, Range 32 East, NMPM, East Caprock-Devonian Pool, Lea County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 3 1/2-inch tubing installed in a packer set at approximately 7500 feet, with injection into the openhole interval from approximately 11,160 feet to 11,230 feet;

PROVIDED HOWEVER, that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge or other Commission-approved leak-detection device 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.

PROVIDED FURTHER, that if internally coated tubing is not utilized, the applicant shall so notify the Secretary-Director of the Commission and shall take such measures as may be required by the Secretary-Director to minimize corrosion or promptly detect any failure of the tubing, casing, 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 COMSERVATION COMMISSION

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I. R. TRUJILLO, Chairman

SEAL

. L. PORTER, Jr., Member & Secretary

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