Enlie January 22, 1975

# 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. 5396 Order No. R-4948

APPLICATION OF CONTINENTAL OIL 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 January 8, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 22nd day of January, 1975, 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, Continental Oil Company, is the owner and operator of the Lynn "A" Well No. 5, located in Unit A of Section 28, Township 23 South, Range 36 East, NMPM, Jalmat Pool, Lea County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the Seven Rivers formation, with injection into various perforated intervals from approximately 3470 feet to 3679 feet.
- (4) That the injection should be accomplished through 2 3/8-inch internally coated tubing installed in a packer set within 100 feet of the uppermost perforation; that the casingtubing annulus should be filled with an inert fluid; and that a pressure gauge or other approved leak detection device should be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.
- (5) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

-2-CASE NO. 5396 Order No. R-4948

(6) 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, Continental Oil Company, is hereby authorized to utilize its Lynn "A" Well No. 5, located in Unit A of Section 28, Township 23 South, Range 36 East, NMPM, Jalmat Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set within 100 feet above the uppermost perforations, with injection into various perforated intervals from approximately 3470 feet to 3679 feet;

PROVIDED HOWEVER; that the tubing shall be internally coated; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus or the well shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

- (2) That the operator shall immediately notify the supervisor of the Commission's Hobbs district office of the failure of the tubing or packer in said disposal well, the leakage of water or oil from around any producing well, or the leakage of water or oil from any plugged and abandoned well offsetting said disposal well.
- (3) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.
- (4) 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

> > LUCERO, Member

I. R. TRUJILLO, Chairman

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

S E A L jr/

