

Filed January 22, 1975
W.L.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. 5367
Order No. R-4952

APPLICATION OF YATES PETROLEUM
CORPORATION FOR SALT WATER DIS-
POSAL, EDDY 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, Yates Petroleum Corporation, is the owner and operator of the Hornbaker BA Well No. 1, located in Unit G of Section 25, Township 18 South, Range 25 East, NMMP, Penasco Draw Yeso-San Andres Pool, Eddy County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the Yeso and San Andres formations, with injection into the perforated intervals from approximately 1400 feet to 2480 feet.
- (4) That the injection should be accomplished through 2 3/8-inch EUE 1650 psi fiberglass tubing installed in a packer set at approximately 1370 feet; that the casing-tubing 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 in order to determine leakage in the casing, tubing, or packer.
- (5) That the injection well or system should be equipped with a pop-off valve or acceptable substitute which will limit the well head pressure on the injection well to no more than 700 psi.

-2-

CASE NO. 5367
Order No. R-4952

(6) That the operator should notify the supervisor of the Artesia district office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(7) 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.

(8) 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, Yates Petroleum Corporation, is hereby authorized to utilize its Hornbaker BA Well No. 1, located in Unit G of Section 25, Township 18 South, Range 25 East, NMPM, Penasco Draw Yeso-San Andres Pool, Eddy County, New Mexico, to dispose of produced salt water into the Yeso and San Andres formations, injection to be accomplished through 2 3/8-inch 1650 psi fiberglass tubing installed in a packer set at approximately 1370 feet, with injection into the perforated intervals from approximately 1400 feet to 2480 feet;

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

(2) That the injection well or system shall be equipped with a pop-off valve or acceptable substitute which will limit the well head pressure on the injection well to no more than 700 psi.

(3) That the operator shall notify the supervisor of the Artesia district office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(4) That the operator shall immediately notify the supervisor of the Commission's Artesia district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

(5) 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-

CASE NO. 5367

Order No. R-4952

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

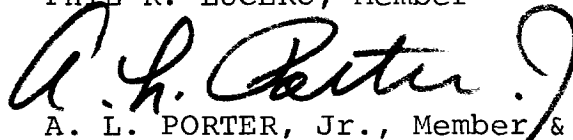
DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman



PHIL R. LUCERO, Member



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

S E A L

jr/