

Filed May 22, 1975
Q.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. 5480
Order No. R-5026

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 May 14, 1975, at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 22nd day of May, 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 SEMU Well No. 7, located in Unit F of Section 23, Township 20 South, Range 37 East, NMPM, Cass-Pennsylvanian Gas Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Pennsylvanian formation, with injection into the open-hole interval from approximately 7648 feet to 7690 feet.

(4) That the injection should be accomplished through 3 1/2-inch plastic lined tubing installed in a packer set at approximately 7600 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge or approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

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

-2-

Case No. 5480

Order No. R-5026

(6) 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.

(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, Continental Oil Company, is hereby authorized to utilize its SEMU Well No. 7, located in Unit F of Section 23, Township 20 South, Range 37 East, NMPM, Cass-Pennsylvanian Gas Pool, Lea County, New Mexico, to dispose of produced salt water into the Pennsylvanian formation, injection to be accomplished through 3 1/2-inch tubing installed in a packer set at approximately 7600 feet, with injection into the open-hole interval from approximately 7648 feet to 7690 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; 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 annulus 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 notify the supervisor of the Hobbs district office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.

(3) That the operator shall immediately notify the supervisor of the Commission's Hobbs 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.

(4) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

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

-3-


Case No. 5480


Order No. R-5026

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

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