

Entered June 8, 1977  
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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. 5921  
Order No. R-5455

APPLICATION OF EASTLAND OIL  
COMPANY FOR SALT WATER DISPOSAL,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 11, 1977,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of June, 1977, 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, Eastland Oil Company, is the owner  
and operator of the Power Deep Unit Well No. 1, located in Unit  
F of Section 6, Township 18 South, Range 31 East, NMPM, Power  
Grayburg-San Andres Pool, Eddy County, New Mexico.

(3) That the applicant proposes to redesignate said well  
as the Kenwood Federal (SWD) Well No. 4 and to utilize said  
well to dispose of produced salt water into the Grayburg forma-  
tion, with injection into the perforated interval from approximate-  
ly 3,506 feet to 3,598 feet.

(4) That the injection should be accomplished through  
2 3/8-inch plastic lined tubing installed in a packer set at  
approximately 3475 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 injection well or system should be equipped  
with a pop-off valve or acceptable substitute which will limit  
the wellhead pressure on the injection well to no more than  
700 psi.

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(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, Eastland Oil Company, is hereby authorized to utilize its Power Deep Unit Well No. 1, redesignated as the Kenwood Federal (SWD) Well No. 4, and located in Unit F of Section 6, Township 18 South, Range 31 East, NMPM, Power Grayburg-San Andres Pool, Eddy County, New Mexico, to dispose of produced salt water into the Grayburg formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 3475 feet, with injection into the perforated interval from approximately 3,506 feet to 3,598 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 injection well or system shall be equipped with a pop-off valve or acceptable substitute which will limit the wellhead 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.

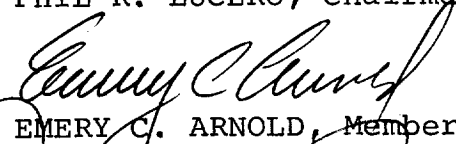
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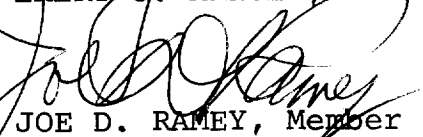
(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
PHIL R. LUCERO, Chairman

  
EMERY C. ARNOLD, Member

  
JOE D. RAMEY, Member & Secretary

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