

Entered September 6, 1977
JCR

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. 6018
Order No. R-5525

APPLICATION OF WALTER DUNCAN FOR
SALT WATER DISPOSAL, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 31, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of September, 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, Walter Duncan, is the owner and operator of the North Hogback 1 Well No. 24, located in Unit G of Section 1, Township 29 North, Range 17 West, NMPM, and the North Hogback 6 Well No. 3, located in Unit L of Section 6, Township 29 North, Range 16 West, both in the Slickrock-Dakota Pool, San Juan County, New Mexico.

(3) That the applicant proposes to utilize said wells to dispose of produced salt water into the Dakota formation, with injection into the open-hole interval from 687 feet to 706 feet and 691 feet to 702 feet, respectively.

(4) That the injection into the aforesaid wells should be accomplished through 2 3/8-inch tubing installed in packers set at approximately 635 feet and 630 feet, respectively; 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.

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(5) That the injection wells or system should be equipped with pop-off valves or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 140 psi.

(6) That the operator should notify the supervisor of the Aztec 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, Walter Duncan, is hereby authorized to utilize his North Hogback 1 Well No. 24, located in Unit G of Section 1, Township 29 North, Range 17 West, NMPM, and his North Hogback 6 Well No. 3 located in Unit L of Section 6, Township 29 North, Range 16 West, NMPM, both in the Slickrock-Dakota Pool, San Juan County, New Mexico, to dispose of produced salt water into the Dakota formation, injection to be accomplished through 2 3/8-inch tubing installed in packers set at approximately 635 feet and 630 feet, respectively, with injection into open-hole intervals from approximately 687 feet to 706 feet and 691 feet to 702 feet, respectively.

PROVIDED HOWEVER, 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 wells 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 140 psi.

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

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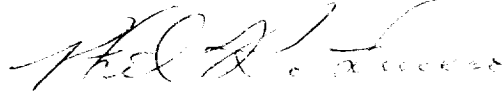
(4) That the operator shall immediately notify the supervisor of the Commission's Aztec district office of the failure of the tubing, casing, or packer, in said wells or the leakage of water from or around said wells and shall take such steps as may be timely and necessary to correct such failure or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

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

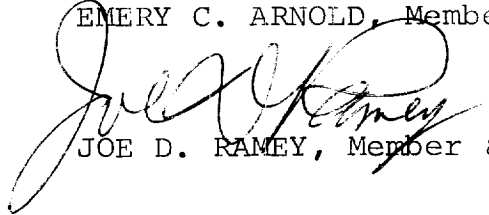
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

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