

Entered April 4, 1978  
JMR

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. 6188  
Order No. R-5690

APPLICATION OF SAM D. ARES 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 March 22, 1978, at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 4th day of April, 1978, 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, Sam D. Ares, is the owner and operator of the Zattu Cushing Well No. 1, located in Unit F of Section 23, Township 24 South, Range 36 East, NMPM, Jalmat Gas 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 the open-hole interval from approximately 3,465 feet to 3,497 feet.

(4) That the injection should be accomplished through 2 3/8-inch plastic lined tubing installed in a packer set at approximately 3,250 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.

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(5) That the injection into the disposal zone should be at a pressure no higher than hydrostatic pressure.

(6) That the operator should notify the supervisor of the Hobbs district office of the Oil Conservation Division of the New Mexico Energy and Minerals Department 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, Sam D. Ares, is hereby authorized to utilize its Zattu Cushing Well No. 1, located in Unit F of Section 23, Township 24 South, Range 36 East, NMPM, Jalmat Gas 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 at approximately 3,250 feet, with injection into the open-hole interval from approximately 3,465 feet to 3,497 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 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 in such a manner as to limit the formation injection pressure in the well to no more than hydrostatic pressure.

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

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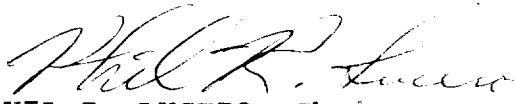
(4) That the operator shall immediately notify the supervisor of the Division's Hobbs district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

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

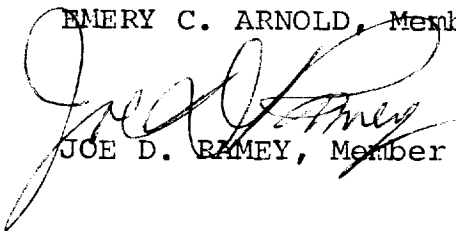
(6) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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 & Division Director

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