

Entered November 2, 1979
JLR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6671
Order No. R-6159

APPLICATION OF CHAPMAN AND SCHNEIDER
FOR SALT WATER DISPOSAL, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 17, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 2nd day of November, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Chapman and Schneider, is the owner and operator of the I. B. Ogg "A" Well No. 3, located in Unit E of Section 35, Township 24 South, Range 36 East, NMPM, Jalmat 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 3422 feet to 3504 feet.

(4) That the injection should be accomplished through 2 7/8-inch plastic lined tubing installed in a packer set at approximately 3300 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 well or system should be so equipped as to limit the injection pressure at the casing shoe to no more than hydrostatic pressure unless and until the Amerada Everett Well No. 3 in Unit I of Section 34 and the Cities Service Everett Well No. 3 in Unit L of Section 35 have been re-entered and re-plugged, including the setting of a cement plug at the base of the salt section in each of said wells.

(6) That the operator should notify the supervisor of the Hobbs district office of the Division 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, Chapman and Schneider, is hereby authorized to utilize its I. B. Ogg "A" Well No. 3, located in Unit E of Section 35, Township 24 South, Range 36 East, NMPM, Jalmat Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 3300 feet, with injection into the open hole interval from approximately 3422 feet to 3504 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 so equipped as to limit the injection pressure at the casing shoe to no more than hydrostatic pressure unless and until the Amerada Everett Well No. 3 in Unit I of Section 34 and the Cities Service Everett Well No. 3 in Unit L of Section 35, both in Township 24 South, Range 36 East, NMPM, have been re-plugged in such a manner as to include a cement plug at the base of the salt section in each of said wells.

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

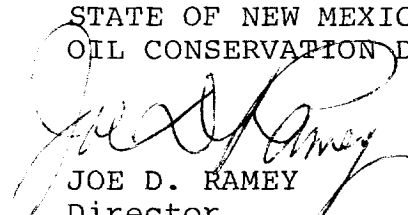
(4) That the operator shall immediately notify the supervisor of the Division's Hobbs district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

(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 DIVISION



JOE D. RAMEY
Director

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