Entered January 9, 1980

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. 6755 Order No. R-6220

APPLICATION OF DOME PETROLEUM CORPORATION FOR WATER DISPOSAL, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 12, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of January, 1980, 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, Dome Petroleum Corporation, is the owner and operator of the Santa Fe 20 Well No. 2, located in Unit F of Section 20, Township 21 North, Range 8 West, NMPM, Snake Eyes-Entrada Oil Pool, San Juan County, New Mexico.
- (3) That the applicant seeks authority to squeeze cement the previously authorized water disposal interval in the Morrison formation in the aforesaid well, and to dispose of produced water in the Entrada formation through the perforated interval from approximately 5756 feet to 5790 feet.
- (4) That the injection should be accomplished through 3 1/2-inch plastic lined tubing installed in a packer set at approximately 5200 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

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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 other acceptable device which will limit the wellhead pressure on the injection well to no more than 1155 psi.
- (6) That the operator should notify the supervisor of the Aztec 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, Dome Petroleum Corporation, is hereby authorized to utilize its Santa Fe 20 Well No. 2, located in Unit F of Section 20, Township 21 North, Range 8 West, NMPM, Snake Eyes-Entrada Oil Pool, San Juan County, New Mexico, to dispose of produced water into the Entrada formation, injection to be accomplished through 3 1/2-inch tubing installed in a packer set at approximately 5200 feet, with injection into the perforated interval from approximately 5756 feet to 5790 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 1155 psi.
- (3) That the operator shall notify the supervisor of the Aztec district office of the Division of the date and time ${\bf r}$

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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 Aztec 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 the perforated interval in the Morrison formation from 4796 feet to 5116 feet in the subject well shall be squeeze cemented upon completion of said well in the Entrada formation.
- (7) 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 herein-above designated.

STATE OF NEW MEXICO
OLL CONSERVATION DIVISION

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JOE D. RAMEY,

Director

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