

Entered June 17, 1983
JDR

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. 7877
Order No. R-7308

APPLICATION OF DOME PETROLEUM
CORP. FOR SALT 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 May 25, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 17th day of June, 1983, 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 Corp., is the owner and operator of the Santa Fe 20 Well No. 2, located 2150 feet from the North line and 1980 feet from the West line of Section 20, Township 21 North, Range 8 West, NMPM, San Juan County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the Morrison and Entrada formations, with injection into the perforated intervals from approximately 4796 feet to 5116 feet and 5756 feet to 5790 feet, respectively.
- (4) That single zone injection into the Morrison and Entrada formations has previously been approved, respectively, by Division Administrative Order No. SWD-188, dated August 2, 1979, and Order No. R-6220 entered January 9, 1980.
- (5) That the applicant now proposes to inject into both zones simultaneously.

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(6) That the injection should be accomplished through 4 1/2-inch plastic lined tubing installed in a packer set at approximately 4750 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.

(7) That the injection well or system should be equipped with a pressure limiting switch or other acceptable device which will limit the wellhead pressure on the injection well to no more than 1155 psi.

(8) That the Director of the Division should be authorized to administratively approve an increase in the injection pressure upon a proper showing by the operator that such higher pressure will not result in migration of the injected waters from the Morrison and Entrada formations.

(9) 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.

(10) That said district supervisor should be permitted to require a test or periodic tests to determine the relative volumes entering the two zones.

(11) 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.

(12) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

(13) That Division Order SWD-188 and Order No. R-6220 should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Dome Petroleum Corp., is hereby authorized to utilize its Santa Fe 20 Well No. 2, located 2150 feet from the North line and 1980 feet from the West line of Section 20, Township 21 North, Range 8 West, NMPM, San Juan County, New Mexico, to dispose of produced salt water into the

Morrison and Entrada formations, injection to be accomplished through 4 1/2-inch tubing installed in a packer set at approximately 4750 feet, with injection into perforated intervals from approximately 4796 feet to 5116 feet and 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 pressure limiting switch or other acceptable device which will limit the wellhead pressure on the injection well to no more than 1155 psi.

(3) That the Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Morrison and Entrada formations.

(4) That the operator shall 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.

(5) 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.

(6) That said district supervisor may require a test or periodic tests to determine the relative volumes entering the two zones.

(7) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 702, 703, 704, 705, 706, 708, and 1120 of the Division Rules and Regulations.

(8) That Division Order SWD-188 and Order No. R-6220 are hereby superseded.

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

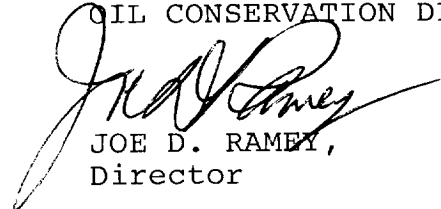
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DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY,
Director

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