

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. 8527
Order No. R-7877

APPLICATION OF CONOCO INC. FOR
SALT WATER DISPOSAL, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on March 13, 1985, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 17th day of April, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The Applicant, Conoco Inc., is owner and operator of the Marshall No. 2, located 1980 feet from the South line and 1910 feet from the West line and is owner and operator of the Marshall No. 1, located 660 feet from the South line and 660 feet from the West line, both wells in Section 19, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

(3) The Applicant proposes to utilize the Marshall No. 2 to dispose of produced salt water into the Cruz-Delaware Pool, with injection into the perforated interval from approximately 5105 feet to 5180 feet or should it be necessary, in the alternative, to convert from a shut-in oil well to a salt water disposal well in the same pool, its Marshall No. 1, with injection into the perforated interval from approximately 5086 feet to 5180 feet.

(4) The injection in either well should be accomplished through 2 3/8-inch plastic lined tubing installed in a packer set at approximately 5,025 or 5,000 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.

(5) Either 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 1,020 psi.

(6) 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 Cruz-Delaware Pool.

(7) 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.

(8) 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.

(9) Approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

(10) If the alternative well, the Marshall No. 1, has not been converted and utilized as a salt water disposal well by June 1, 1986, authorization to inject should be rescinded.

IT IS THEREFORE ORDERED THAT:

(1) The Applicant, Conoco Inc., is hereby authorized to utilize its Marshall No. 2, located 1980 feet from the South line and 1910 feet from the West line of Section 19, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico, to dispose of produced salt water into the Cruz-Delaware Pool, injection to be accomplished through 2 3/8-inch plastic lined tubing installed in a packer set at approximately 5025 feet, with injection into the perforated interval from approximately 5105 feet to 5180 feet; or should circumstances warrant, in the alternative, authorization to utilize its Marshall No. 1,

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located 660 feet from the South line and 660 feet from the West line of Section 19, Township 23 South, Range 33 East, Lea County, New Mexico, to dispose of produced salt water into the Cruz-Delaware Pool, injection to be accomplished through 2 3/8-inch plastic lined tubing installed in a packer set at approximately 5,000 feet, with injection into the perforated interval from approximately 5086 feet to 5180 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) Either 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 1,020 psi.

(3) 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 Cruz-Delaware Pool.

(4) 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.

(5) 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.

(6) If by June 1, 1986, the Marshall No. 1 has not been converted and utilized as a salt water disposal well, authorization to inject into said well as contained in this order shall automatically expire.

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

(8) 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

A handwritten signature in dark ink, appearing to read "R. L. Stamets", with a large, stylized flourish at the end.

R. L. STAMETS,
Director

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