



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

CORRECTED ADMINISTRATIVE ORDER SWD-736

APPLICATION OF SANTA FE ENERGY RESOURCES, INC. FOR SALT WATER DISPOSAL, EDDY COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Santa Fe Energy Resources, Inc. made application to the New Mexico Oil Conservation Division on January 12, 1999, for permission to complete for salt water disposal its Old Ranch Canyon '7' Federal Well No. **5-Y (API No. 30-015-30653)** located **1315** feet from the North line and **2315** feet from the West line (Unit F) of Section 7, Township 22 South, Range 24 East, NMPM, Eddy County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and,
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant herein, Santa Fe Energy Resources, Inc. is hereby authorized to complete its Old Ranch Canyon '7' Federal Well No. **5-Y (API No. 30-015-30653)** located **1315** feet from the North line and **2315** feet from the West line (Unit F) of Section 7, Township 22 South, Range 24 East, NMPM, Eddy County, New Mexico, in such manner as to permit the injection of salt water for disposal purposes into the Devonian and Montoya formations at approximately 11,000 feet to 11,800 feet through 7-inch plastic-lined tubing set in a packer located at approximately 10,900 feet.



**DRILLING
USA, INC.**

SEP 7 1999

INFORMATION ON

September 1, 1999

State of New Mexico
Oil Conservation Division
2040 S. Pacheco Street
Santa Fe, NM 87505

Attn: Mr. Ben Stone

Re: Old Ranch Canyon "7" Fed #5
Sec. 7, T-22-S, R-24-E
Eddy County, New Mexico

Dear Mr. Stone,

The Santa Fe Snyder Corp. Old Ranch Canyon "7" Fed #5 was plugged and abandoned due to mechanical problems at a depth of 484'. The surface location was moved from 1350' FNL & 2350' FWL to 1315' FNL & 2315' FWL Sec. 7, T-22-S, R-24-E Eddy County, New Mexico.

Please find attached a copy of the Sundry Notice filed with the Bureau of Land Management April 1, 1999.

If I can be of further assistance, please do not hesitate to give me a call at (915) 682-6373.

Sincerely,

James P. "Phil" Stinson
Agent for Santa Fe Snyder Corp.