



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

AMENDED ADMINISTRATIVE ORDER SWD-826-A

APPLICATION OF EL PASO ENERGY RATON, L.L.C. FOR SALT WATER DISPOSAL, COLFAX COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), El Paso Energy Raton, L.L.C. made application to the New Mexico Oil Conservation Division on January 16, 2002, for permission to complete for produced water disposal its Vermejo Park Ranch "E" Well No. 34 located 1268 feet from the North line and 368 feet from the East line (Unit A) of Section 5, Township 31 North, Range 19 East, NMPM, Colfax County, New Mexico. **On April 10, 2002, and prior to commencing injection, El Paso Energy Raton, L.L.C. has requested revised injection depths as specified herein.**

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:

El Paso Energy Raton, L.L.C. is hereby authorized to complete its Vermejo Park Ranch "E" Well No. 34 located 1268 feet from the North line and 368 feet from the East line (Unit A) of Section 5, Township 31 North, Range 19 East, NMPM, Colfax County, New Mexico, in such a manner as to permit the injection of produced water for disposal purposes into the **Entrada and Glorieta formations from approximately 7091 feet to 7600**, through 3 ½ inch plastic-lined tubing set with a packer located at approximately **7050** feet.

IT IS FURTHER ORDERED THAT:

The operator shall 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.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

Prior to commencing injection operations, the applicant shall obtain a native formation water sample from the **Entrada and Glorieta** formations, and shall have these water samples analyzed. The applicant shall submit a copy of the water analysis to the Santa Fe Office of the Division.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than **1418 psi**.

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 **Entrada and Glorieta** formations. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Santa Fe District Office of the Division of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Santa Fe District Office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

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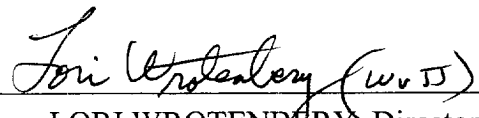
El Paso Energy Raton, L.L.C.

April 30, 2002

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The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on this 30th day of April 2002.

Handwritten signature of Lori Wrotenbery in cursive script, with the initials "LW" in parentheses at the end.

LORI WROTENBERY, Director

LW/WVJ

cc: Oil Conservation Division - Santa Fe