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AMERADA PETROLEUM CORPORATION

Box 608
HOBBS, NEW MEXICO 88240

September 18, 1968

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Re: Application of Amerada Petroleum
Corporation for Salt Water
Disposal in the State E"B" No. 1
in the North Echols Devonian
Field, Lea County, New Mexico.

Gentlemen:

Amerada Petroleum Corporation requests administrative approval to dispose of produced salt water into the San Andres Formation in the State E"B" No. 1, Unit "E", Section 27, T-10-S, R-37-E. It is proposed to dispose of the water into the San Andres Formation by injecting down the annulus between the tubing and the 5-1/2" casing.

In support of the application, the following information is submitted:

(1) Applicant is owner and operator of the State E"B" Lease described as the North half of Section 27, T-10-S, R-37-E, Lea County, New Mexico.

(2) The State E"B" No. 1 is the last producing well in the field. August average production was 29 barrels of oil and 493 barrels of water per day.

(3) All other wells in the field which could potentially be used for salt water disposal have been plugged and abandoned. The cost to re-enter these wells will be prohibitive.

(4) To transport produced water to existing salt water disposal facilities is uneconomical.

(5) Proposed installation will be equipped with permanent type packer immediately below the San Andres perforations and will be equipped such that a plug can be run and set prior to pulling the tubing, therefore, eliminating any danger of fluids flowing from one zone to another.

(6) The water to be disposed of is to be treated for both scale and corrosion.