IN THE MATTER OF THE HEARING GALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 386 ORDER NO R-183

THE APPLICATION OF MAGNOLIA PETROLEUM COMPANY FOR AN ORDER GRANTING PERMISSION TO USE FOR SALT-WATER DISPOSAL PURPOSES A WELL TO BE DRILLED ON ITS E. O. CARSON LEASE, 660 FEET FROM THE SOUTH LINE AND 2640 FEET FROM THE EAST LINE OF SECTION 33, TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM, LEA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This matter came on for hearing at Santa Fe, New Mexico, at 9 o'clock a. m. July 24, 1952, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 12th day of August, 1952, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearing, and being otherwise fully advised in the premises,

## FINDS:

(1) That due notice having been given as required by law, the commission has jurisdiction of this cause and the subject matter thereof.

(2) That it would be in the interests of conservation and the protection of correlative-rights, and would prevent injury to neighboring leases or properties to permit the applicant to use for salt-water disposal purposes a well to be drilled to the upper San Andres formation to be located 660 feet from the South line and 2640 feet from the East line of Section 33, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

## IT IS THEREFORE ORDERED:

(1) That the Magnolia Petroleum Company be, and the same hereby is given authority to drill a well to be known as the E. O. Carson, SWD-1, to be located 660 feet from the South line and 2640 feet from the East line of Section 33, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico; that said well is to be used for salt-water disposal purposes, the water to be injected into the San Andres formation at an approximate depth of 4100 to 4600 feet.

(2) That the effectiveness of this order is conditioned upon the compliance of the applicant with the following requirements:

(a) That the E. O. Carson, Well No. 1-SWD, be drilled to an approximate depth of 4600 feet.

(b) That casing be comented at an approximate depth of 4100, leaving an open-hole section only in the San Andres formation, to properly prevent any vertical communication of the salt water with the Penrose-Skelly oil producing zone above.

Nothing in this order shall be deemed to relieve Magnolia Petroleum Company from liability to any person, firm or corporation due to damage occasioned by its salt-water disposal operations, DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWING L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPURRIER, Secretary

÷

.

SEAL