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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE No. 3572 Order No. R-3239

APPLICATION OF JONES EXPLORATION COMPANY FOR A DUAL COMPLETION AND FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 24, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>lst</u> day of June, 1967, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Jones Exploration Company, seeks authority to complete its State Well No. 1, located in Unit H of Section 35, Township 17 South, Range 35 East, NMPM, Vacuum Field, Lea County, New Mexico, as a dual completion to produce oil from the Vacuum-Abo Reef Pool through 2-inch tubing and to dispose of produced salt water down the casing-tubing annulus into the Paddock formation in the perforated interval from 6955 feet to 6995 feet.

(3) That the produced salt water should be continuously treated prior to injection to prevent casing corrosion.

(4) That approval of the dual completion and salt water disposal as set out above will prevent the drilling of unnecessary

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wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Jones Exploration Company, is hereby authorized to complete its State Well No. 1, located in Unit H of Section 35, Township 17 South, Range 35 East, NMPM, Vacuum Field, Lea County, New Mexico, as a dual completion to produce oil from the Vacuum-Abo Reef Pool through 2-inch tubing and to dispose of produced salt water down the casing-tubing annulus into the Paddock formation in the perforated interval from 6955 feet to 6995 feet;

<u>PROVIDED HOWEVER</u>, that the produced salt water shall be continuously treated prior to injection to prevent casing corrosion, and provided further, that coupon corrosion tests shall be conducted on said well and the results thereof filed with the Commission until further notice from the Secretary-Director of the Commission.

PROVIDED FURTHER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION DAVID F. CARGO, airman ЙĦ tu PORTER, Jr., Member & Secretary

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