

*Entered July 3, 1968  
A.P.*

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. 3793  
Order No. R-3447

APPLICATION OF GULF OIL CORPORATION  
FOR SALT WATER DISPOSAL, EDDY COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 26, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 3rd day of July, 1968, 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, Gulf Oil Corporation, is the owner and operator of the Keohane "C" Federal Well No. 3, located in Unit I of Section 21, Township 18 South, Range 31 East, NMPM, Shugart Yates-Seven Rivers-Queen-Grayburg Pool, Eddy County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Grayburg formation, with injection into the perforated interval from approximately 3812 feet to 3900 feet.

(4) That the injection should be accomplished through 2 3/8-inch internally plastic-coated tubing installed in a packer set at approximately 3780 feet; that the casing-tubing

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annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus or the annulus left open at the surface in order to determine leakage in the tubing or packer.

(5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized to utilize its Keohane "C" Federal Well No. 3, located in Unit I of Section 21, Township 18 South, Range 31 East, NMPM, Shugart Yates-Seven Rivers-Queen-Grayburg Pool, Eddy County, New Mexico, to dispose of produced salt water into the Grayburg formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 3780 feet, with injection into the perforated interval from approximately 3812 feet to 3900 feet;

PROVIDED HOWEVER, that the tubing shall be internally plastic-coated; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus or the annulus left open at the surface in order to determine leakage in the tubing or packer.

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) 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, Chairman

  
GUYTON B. HAYS, Member

  
A. L. PORTER, Jr., Member & Secretary

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