Entired September 13,176 y

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. 3844 Order No. R-3500

APPLICATION OF RICE ENGINEERING & OPERATING, INC., 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 August 21, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>12th</u> day of September, 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, Rice Engineering & Operating, Inc., is the owner and operator of the Hobbs East San Andres SWD Well No. F-30 (formerly the Humble Oil & Refining Company S. E. Cain Well No. 1), located in Unit F of Section 30, Township 18 South, Range 39 East, NMPM, Hobbs East San Andres Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Queen, San Andres, and Glorieta formations in the perforated intervals at approximately 3808-3834, 3962-3992, 5248-5261, and 5980-6054 feet.

(4) That the injection should be accomplished through 2 1/2inch plastic-lined tubing; that the casing-tubing 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 casing. -2-CASE No. 3844 Order No. R-3500

(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, Rice Engineering & Operating, Inc., is hereby authorized to utilize its Hobbs East San Andres SWD Well No. F-30 (formerly the Humble Oil & Refining Company S. E. Cain Well No. 1), located in Unit F of Section 30, Township 18 South, Range 39 East, NMPM, Hobbs East San Andres Pool, Lea County, New Mexico, to dispose of produced salt water into the Queen, San Andres, and Glorieta formations, injection to be through 2 1/2inch tubing into the perforated intervals from approximately 3962-3992, 5248-5261, and 5980-6064 feet;

<u>PROVIDED HOWEVER</u>, that prior to said utilization, the applicant shall cause the perforated interval from 3808 feet to 3834 feet in the subject well to be squeezed with a minimum of 75 sacks of cement and the 4-inch liner set at 6480 feet to be perforated above 5200 feet and additional cementing of said liner effected to ensure the annular space is cemented from said liner shoe back into the 5 1/2-inch casing set at 4464 feet;

<u>PROVIDED FURTHER</u>, that the tubing shall be plastic-lined; 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 casing.

(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 FIF DAVID F. CARGO, Chairman an 6 GUTTON er' Memb ain,

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

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