

Entered November 19, 1968
A.S.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. 3931
Order No. R-3578

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR SALT WATER DISPOSAL,
ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 12, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of November, 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, Pan American Petroleum Corporation, is the owner and operator of the State "DF" Well No. 1, located in Unit I of Section 25, and the Farrell Federal Well No. 10, located in Unit F of Section 28, both in Township 7 South, Range 33 East, NMPM, Chaveroo-San Andres Pool, Roosevelt County, New Mexico.

(3) That the applicant proposes to utilize said wells to inject produced salt water into the San Andres formation, with injection into the intervals as follows:

The perforated interval from approximately 4402 feet to 4422 feet in its State "DF" Well No. 1; and

The perforated interval from approximately 4239 feet to 4389 feet in its Farrell Federal Well No. 10.

(4) That the subject wells should be classified as pressure maintenance project injection wells.

(5) That the subject pressure maintenance projects are in the interest of conservation and should result in greater ultimate recovery of oil, thereby preventing waste.

(6) That the subject application should be approved and the projects should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation is hereby authorized to institute two pressure maintenance projects in the Chaveroo-San Andres Pool, Roosevelt County, New Mexico, by the injection of water into the San Andres formation through the following-described wells in Township 7 South, Range 33 East, NMPM, Roosevelt County, New Mexico:

Pan American State "DF" Pressure Maintenance Project

State "DF" Well No. 1, located in Unit I of Section 25 — injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 4370 feet, with injection into the perforated interval from approximately 4402 feet to 4422 feet; and

Pan American Farrell Pressure Maintenance Project

Farrell Federal Well No. 10, located in Unit F of Section 28 — injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 4200 feet, with injection into the perforated interval from approximately 4239 feet to 4389 feet;

PROVIDED HOWEVER, that in each well 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 in order to determine leakage in the tubing, casing, or packer.

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(3) That the subject pressure maintenance projects shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

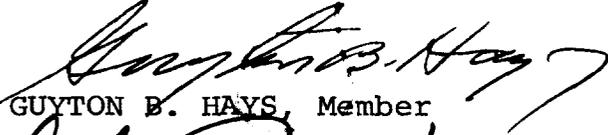
(4) That monthly progress reports of the pressure maintenance projects herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(5) 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

S E A L

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