Entered January 13, 1969 QLP.

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. 4015 Order No. R-3657

APPLICATION OF WILSON OIL COMPANY 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 January 8, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>13th</u> day of January, 1969, 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, Wilson Oil Company, is the owner and operator of the following wells in the Wilson Yates-Seven Rivers Pool, Lea County, New Mexico:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM

Wilson State Well No. 9 located in Unit F of Section 13; Shell State Well No. 13 located in Unit H of Section 13; Wilson State Well No. 8 located in Unit O of Section 13; Wilson State Well No. 20 located in Unit B of Section 23; Wilson State Well No. 21 located in Unit J of Section 23;

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Wilson State Well No. 1-A located in Unit G of Section 7.

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(3) That the applicant proposes to utilize said wells to dispose of produced salt water into the Yates and Seven Rivers formations, with injection into the intervals as follows:

The open-hole interval from approximately 3601 feet to 3781 feet in the Wilson State Well No. 9;

The perforated and open-hole interval from approximately 3778 feet to 4139 feet in the Shell State Well No. 13;

The open-hole interval from approximately 3442 feet to 3775 feet in the Wilson State Well No. 8;

The open-hole interval from approximately 3720 feet to 3965 feet in the Wilson State Well No. 20;

The open-hole interval from approximately 3602 feet to 3749 feet in the Wilson State Well No. 21; and

The open-hole interval from approximately 3822 feet to 3846 feet in the Wilson State Well No. 1-A.

(4) That injection into each of the above-described wells down the casing should be permitted provided said produced water is continuously treated prior to injection to prevent corrosion.

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

(6) That the applicant further seeks the establishment of an administrative procedure whereby additional wells in the Wilson Yates-Seven Rivers Pool could be placed on salt water disposal.

(7) That an administrative procedure should be established for the approval of additional salt water disposal wells in the Wilson Yates-Seven Rivers Pool, provided that such additional salt water disposal wells are completed in a manner similar to the subject wells. -3-CASE No. 4015 Order No. R-3657

IT IS THEREFORE ORDERED:

(1) That the applicant, Wilson Oil Company, is hereby authorized to utilize its following-described wells in the Wilson Yates-Seven Rivers Pool, Lea County, New Mexico, to dispose of produced salt water into the Yates and Seven Rivers formations, with injection to be accomplished as follows:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM

Wilson State Well No. 9 located in Unit F of Section 13, injection to be accomplished down the casing, with injection into the open-hole interval from approximately 3601 feet to 3781 feet;

Shell State Well No. 13 located in Unit H of Section 13, injection to be accomplished down the casing, with injection into the perforated and open-hole interval from approximately 3778 feet to 4139 feet;

Wilson State Well No. 8 located in Unit 0 of Section 13; injection to be accomplished down the casing, with injection into the open-hole interval from approximately 3442 feet to 3775 feet;

Wilson State Well No. 20 located in Unit B of Section 23, injection to be accomplished down the casing, with injection into the open-hole interval from approximately 3720 feet to 3965 feet;

Wilson State Well No. 21 located in Unit J of Section 23, injection to be accomplished down the casing, with injection into the open-hole interval from approximately 3602 feet to 3749 feet;

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Wilson State Well No. 1-A located in Unit G of Section 7, injection to be accomplished down the casing, with injection into the open-hole interval from approximately 3822 feet to 3846 feet;

<u>PROVIDED HOWEVER</u>, that said produced salt water shall be continuously treated prior to injection to prevent corrosion.

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(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 as an exception to Rule 701 of the Commission Rules and Regulations, the Secretary-Director is hereby authorized to approve additional salt water disposal wells in the Wilson Yates-Seven Rivers Pool when an application for such authority has been filed and the Secretary-Director determines that approval of the application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights;

<u>PROVIDED HOWEVER</u>, that any such additional salt water disposal well shall be completed in a manner similar to the subject wells, and provided further, that such disposal shall be into the Yates and Seven Rivers formations.

(4) 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

1 Hacht ALCX J ARMISO Member

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

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