

Entered April 15, 1969
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. 4094
Order No. R-3728

APPLICATION OF CAYMAN 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 April 9, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of April, 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, Cayman Corporation, is the owner and operator of the Hondo-State Well No. 1, located in Unit F of Section 31, Township 7 South, Range 33 East, NMPM, Chaveroo-San Andres Pool, Roosevelt County, New Mexico.

(3) That the applicant proposes to utilize said well to inject produced salt water into the San Andres formation, with injection into the perforated interval from approximately 4184 feet to 4274 feet.

(4) That the subject well should be classified as a pilot waterflood project injection well.

(5) That the injection should be accomplished through 2 3/8-inch tubing installed in a packer set at approximately

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4150 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(6) 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, Cayman Corporation, is hereby authorized to institute a pilot waterflood project by utilizing its Hondo-State Well No. 1, located in Unit F of Section 31, Township 7 South, Range 33 East, NMPM, Chaveroo-San Andres Pool, Roosevelt County, New Mexico, to inject produced salt water into the San Andres formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 4150 feet, with injection into the perforated interval from approximately 4184 feet to 4274 feet;

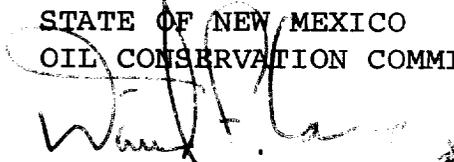
PROVIDED HOWEVER, that the casing-tubing annulus shall be filled with an inert fluid and that a pressure gauge shall be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

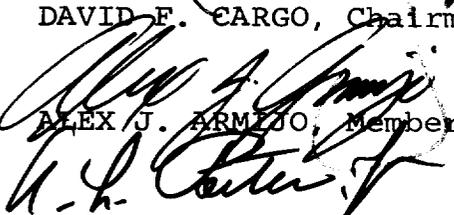
(2) That monthly progress reports of the pilot waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(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


ALEX J. ARMITO, Member


A. L. PORTER, Jr., Member

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