

*Entered August 17, 1971*  
*C.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. 4570  
Order No. R-4179

APPLICATION OF SHENANDOAH OIL  
CORPORATION FOR SALT WATER  
DISPOSAL, CHAVES COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 11, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of August, 1971, 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 Shenandoah Oil Corporation, is the owner and operator of the Read & Stevens "M" Federal Well No. 1, located in Unit K of Section 28, Township 6 South, Range 27 East, NMPM, Haystack-Cisco Gas Pool, Chaves County, New Mexico.

(3) That the applicant, Shenandoah Oil Corporation, seeks authority to complete said Read & Stevens "M" Federal Well No. 1, as a dual completion to produce gas from the Haystack-Cisco Gas Pool through 2 7/8-inch casing and to dispose of produced salt water down the annulus between the 2 7/8-inch production casing string and the 8 5/8-inch intermediate casing string into the San Andres and other formations in the open-hole interval from approximately 1376 feet to 5090 feet.

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(4) That the produced salt water should be continuously treated prior to injection to prevent casing corrosion and coupon corrosion tests should be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission.

(5) That approval of the dual completion and salt water disposal as set out above will prevent the drilling of unnecessary wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Shenandoah Oil Corporation, is hereby authorized to complete its Read & Stevens "M" Federal Well No. 1, located in Unit K of Section 28, Township 6 South, Range 27 East, NMPM, Haystack-Cisco Gas Pool, Chaves County, New Mexico, as a dual completion to produce gas from the Haystack-Cisco Gas Pool through 2 7/8-inch casing and to dispose of produced salt water down the annulus between the 2 7/8-inch production casing string and the 8 5/8-inch intermediate casing string into the San Andres and other formations in the open-hole interval from approximately 1376 feet to 5090 feet;

PROVIDED HOWEVER, that the produced salt water shall be continuously treated prior to injection to prevent casing corrosion; that coupon corrosion tests shall be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission;

PROVIDED FURTHER, that the disposal of produced salt water through the above-described well shall cease at such time as the well is not produced.

PROVIDED FURTHER, that the applicant shall submit monthly reports of his disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
BRUCE KING, Chairman

  
ALEX J. ARMIJO, Member

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

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