

Entered May 31, 1972
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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. 4707
Order No. R-4316

APPLICATION OF BLACKROCK OIL
COMPANY FOR A DUAL COMPLETION,
SALT WATER DISPOSAL, AND UNORTHODOX
LOCATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 5, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 31st day of May, 1972, 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, Blackrock Oil Company, seeks authority to complete its Bates McIntyre Federal Well No. 1 at an unorthodox location, 1980 feet from the North line and 660 feet from the East line of Section 9, Township 6 South, Range 27 East, NMPM, Chaves County, New Mexico, as a dual completion to produce gas from the Haystack-Cisco Gas Pool through 2 3/8-inch tubing and to dispose of produced salt water down the annulus between the 5 1/2-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 1186 feet to 4389 feet.

(3) That the subject well was drilled at a standard location to test the Haystack Siluro-Devonian Pool but was productive of gas in the Haystack-Cisco Gas Pool.

(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.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Blackrock Oil Company, is hereby authorized to complete its Bates McIntyre Federal Well No. 1 at an unorthodox location 1980 feet from the North line and 660 feet from the East line of Section 9, Township 6 South, Range 27 East, NMPM, Chaves County, New Mexico, as a dual completion to produce gas from the Haystack-Cisco Gas Pool through 2 3/8-inch tubing and to dispose of produced salt water down the annulus between 5 1/2-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 1186 feet to 4389 feet;

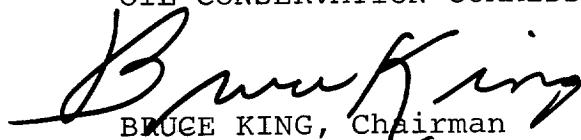
PROVIDED HOWEVER, that the produced salt water shall be continuously treated prior to injection to prevent casing corrosion; that coupon corrosion tests shall be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director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

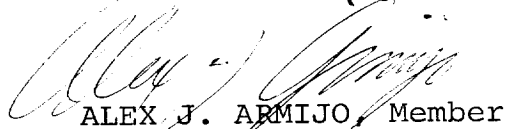
PROVIDED FURTHER, that the applicant shall submit monthly reports of his disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

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

DONE at Santa Fe, New Mexico, on the day and year hereinabove 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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