Entered September 21, 1976

# 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. 5737 Order No. R-5208-A

APPLICATION OF HOWARD BOATRIGHT COMPANY FOR THE AMENDMENT OF ORDER NO. R-5208, EDDY COUNTY, NEW MEXICO.

### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 18, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>21st</u> day of September, 1976, 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, Howard Boatright Company, on April 27, 1976, obtained Commission Order No. R-5208, which order authorized applicant to utilize its State CS Well No. 1, located in Unit L of Section 17, Township 21 South, Range 27 East, NMPM, Burton Flats Field, Eddy County, New Mexico, to dispose of produced salt water into the Delaware formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 2975 feet, with injection into the open-hole interval from approximately 2979 feet to 3180 feet and subject to the provision that the wellhead injection pressure shall not exceed 400 psi.

(3) That the applicant seeks the amendment of said order to permit setting of the packer in the aforesaid well at a depth of 2585 feet, and further to increase the maximum wellhead injection pressure from 400 psi to 800 psi.

(4) That the proposed change of packer-setting depth will not cause waste nor violate correlative rights and should be approved.

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(5) That the proposed increase in wellhead injection pressure from 400 psi to 800 psi, in combination with the hydrostatic head of disposal water to the top of the openhole interval at 2979 could result in a well bore interface pressure sufficient to create vertical fractures in the formation and the escape of disposal fluids from the Delaware formation into other overlying formations and should be denied.

(6) That insofar as the Commission can determine, a surface wellhead injection pressure of 600 psi will not cause formation fracturing, will not cause injury to offsetting leases or properties, nor otherwise cause waste or violate correlative rights, and should be approved.

## IT IS THEREFORE ORDERED:

(1) That Order (1) on Page 2 of Commission Order No. R-5208 is hereby amended to read in its entirety as follows:

"(1) That the applicant, Howard Boatright Company, Inc., is hereby authorized to utilize its State CS Well No. 1, located in Unit L of Section 17, Township 21 South, Range 27 East, NMPM, Burton Flats Field, Eddy County, New Mexico, to dispose of produced salt water into the Delaware formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 2585 feet, with injection into the open-hole interval from approximately 2979 feet to 3180 feet;

"PROVIDED HOWEVER, that 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 or the annulus shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer."

(2) That Order (2) on Page 2 of Commission Order No. R-5208 is hereby amended to read in its entirety as follows:

"(2) That the injection well or system shall be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 600 psi." -3-Case No. 5737 Order No. R-5208-A

(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

PHIL R. LUCERO, Chairman

Ca us EMERY C. ARNOLD Member 4 Member JOE D. RAMEY, 1 & Secretary

SEAL

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