

Entered April 28, 1978
JLR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6210
Order No. R-5718

APPLICATION OF ORLA PETCO, INC., FOR
SALT WATER DISPOSAL, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 19, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 28th day of April, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Orla Petco, Inc., is the owner and operator of the Sanders Well No. 1, located in Unit G of Section 6, Township 23 South, Range 28 East, NMPM, Herradura Bend-Delaware Pool, Eddy County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the Upper Delaware formation, with injection into the perforated interval from approximately 2560 feet to 2690 feet.
- (4) That the injection should be accomplished through 2 3/8-inch plastic lined tubing installed in a packer set at approximately 2500 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge or approved leak detection device should be attached to the annulus or the annulus be allowed to remain open in order to determine leakage in the casing, tubing, or packer.
- (5) That the injection well or system should be equipped with a pressure limiting switch or acceptable device which will limit the wellhead pressure on the injection well to no more than 800 psi.

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(6) That the operator should notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(7) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

(8) 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, Orla Petco, Inc., is hereby authorized to utilize its Sanders Well No. 1, located in Unit G of Section 6, Township 23 South, Range 28 East, NMPM, Herradura Bend-Delaware Pool, Eddy County, New Mexico, to dispose of produced salt water into the Upper Delaware formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 2500 feet, with injection into the perforated interval from approximately 2560 feet to 2690 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 be allowed to remain open or otherwise be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

(2) That the injection well or system shall be equipped with a pressure limiting switch or acceptable device which will limit the wellhead pressure on the injection well to no more than 800 psi.

(3) That the operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(4) That the operator shall immediately notify the supervisor of the Division's Artesia district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

(5) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Division Rules and Regulations.

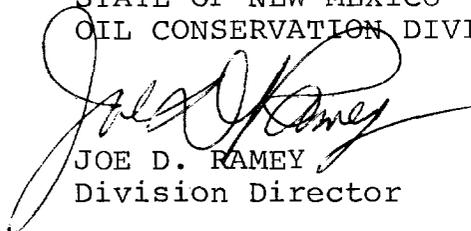
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(6) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Division Director

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