



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**  
Cabinet Secretary

**Lori Wrotenbery**  
Director

**Oil Conservation Division**

*ADMINISTRATIVE ORDER SWD-905*

***APPLICATION OF DOMINION OKLAHOMA TEXAS EXPLORATION &  
PRODUCTION, INC. FOR SALT WATER DISPOSAL, SAN JUAN COUNTY, NEW  
MEXICO.***

**ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Rule 701(B), Dominion Oklahoma Texas Exploration & Production, Inc., made application to the New Mexico Oil Conservation Division on October 22, 2003, for permission to utilize for salt water disposal permit its proposed Federal WDW 27 Well No. 1 to be located 1,050 feet from the North line and 840 feet from the East line (Unit A) of Section 27, Township 27 North, Range 12 West, NMPM, San Juan County, New Mexico.

**THE DIVISION DIRECTOR FINDS THAT:**

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

**IT IS THEREFORE ORDERED THAT:**

Dominion Oklahoma Texas Exploration & Production, Inc., is hereby authorized to utilize its proposed Federal WDW 27 Well No. 1 to be located 1,050 feet from the North line and 840 feet from the East line (Unit A) of Section 27, Township 27 North, Range 12 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the injection of produced water for disposal purposes into the Morrison, Bluff, and Entrada formations from an approximate footage of 6,125 to 7,075 through 2 7/8 inch plastic-lined tubing set in a packer located at approximately 6,075 feet.

**IT IS FURTHER ORDERED THAT:**

The operator shall 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.

Prior to injection, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to **no more than 1,225 psi**.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the injection formations. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Aztec district office of the Division of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Aztec district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

**PROVIDED FURTHER THAT,** jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations on Division Form C-120-A, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

*Administrative Order SWD-905*

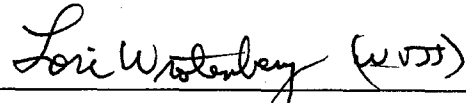
*Dominion Oklahoma Texas Exploration & Production, Inc.*

*November 12, 2003*

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Approved at Santa Fe, New Mexico, on this 12<sup>th</sup> day of November 2003.

Handwritten signature of Lori Wrotenbery in cursive script.

LORI WROTENBERY, Director

LW/wvjj

cc: Oil Conservation Division – Aztec  
Bureau of Land Management – Farmington