

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. 3842  
Order No. R-3487

APPLICATION OF CONTINENTAL OIL COMPANY  
FOR A PRESSURE MAINTENANCE PROJECT, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 21, 1968,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of September, 1968, 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, Continental Oil Company, is the  
owner and operator of the Eaves "A" Well No. 10, located in Unit  
P of Section 19, Township 26 South, Range 37 East, NMPM,  
Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico.

(3) That the applicant seeks authority to institute a pres-  
sure maintenance project in the Scarborough Yates-Seven Rivers  
Pool by the injection of water into the Seven Rivers formation  
in the perforated interval from approximately 3208 feet to 3255  
feet in its Eaves "A" Well No. 10. In the alternative, the  
applicant seeks to have said well authorized for salt water  
disposal.

(4) That the subject well should be classified as a salt  
water disposal well.

(5) That the injection should be accomplished through  
3 1/2-inch plastic-lined tubing installed in a packer set at

approximately 3195 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus or the annulus left open at the surface in order to determine leakage in the tubing, casing, or packer.

(6) That approval of the subject application for salt water disposal will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to utilize its Eaves "A" Well No. 10, located in Unit P of Section 19, Township 26 South, Range 37 East, NMPM, Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 3 1/2-inch tubing installed in a packer set at approximately 3195 feet, with injection into the perforated interval from approximately 3208 feet to 3255 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 left open at the surface in order to determine leakage in the tubing, casing, or packer.

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

(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

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

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

S E A L

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. 4198  
Order No. R-3487-A

APPLICATION OF CONTINENTAL OIL COMPANY  
FOR AMENDMENT OF ORDER NO. R-3487, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 27, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of September, 1969, the Commission, 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 by Order No. R-3487, dated September 9, 1968, the Commission authorized the applicant, Continental Oil Company, to utilize its Eaves "A" Well No. 10, located in Unit P of Section 19, Township 26 South, Range 37 East, NMPM, Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico, to dispose of produced salt water into the Seven Rivers formation, injection to be accomplished through 3 1/2-inch tubing installed in a packer set at approximately 3195 feet, with injection into the perforated interval from approximately 3208 feet to 3255 feet.

(3) That the applicant now seeks the reclassification of the aforesaid Eaves "A" Well No. 10 to a pressure maintenance project injection well for the injection of produced salt water

into the Yates and Seven Rivers formations in the perforated and open-hole interval from approximately 3107 feet to 3410 feet.

(4) That the subject well should be reclassified as a pressure maintenance project injection well.

(5) That the proposed pressure maintenance project is in the interest of conservation and should result in greater ultimate recovery of oil, thereby preventing waste.

(6) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(7) That Order No. R-3487 should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to institute a pressure maintenance project in the Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico, by the injection of produced salt water into the Yates and Seven Rivers formations through its Eaves "A" Well No. 10, located in Unit P of Section 19, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That said injection shall be accomplished through 3 1/2 inch tubing installed in a packer set at approximately 3080 feet, and into the perforated and open-hole interval from approximately 3107 feet to 3410 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 at the surface in order to determine leakage in the tubing, casing or packer.

(3) That the subject pressure maintenance project is hereby designated the Continental Scarborough Eaves Pressure Maintenance Project and shall be governed by the provisions of Rules 701, 702 and 703 of the Commission Rules and Regulations.

(4) That monthly progress reports of the pressure maintenance project herein authorized shall be submitted to the Commission in

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CASE No. 4198

Order No. R-3487-A

accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(5) That Order No. R-3487, dated September 9, 1968, is hereby superseded.

(6) 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

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

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

CASE NO. 6728  
Order No. R-6277

APPLICATION OF CONOCO INC. FOR  
PRESSURE MAINTENANCE EXPANSION,  
LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 14, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 11th day of March, 1980, 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, Conoco Inc., is the operator of a pressure maintenance project in the Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico, and in this case seeks approval for the expansion of said project by the conversion to water injection into the Yates and Seven Rivers formations of its Eaves "A" Well No. 7 located in Unit J of Section 19, Township 26 South, Range 37 East, NMPM.
- (3) That applicant proposes to inject water in said well through 3 1/2-inch internally coated tubing set in a packer at approximately 3030 feet, with perforations from 3082 feet to 3210 feet.
- (4) That approval of the proposed pressure maintenance expansion should result in the recovery of additional oil which would otherwise remain unproduced, thereby preventing waste, and will not impair correlative rights, and should be given, provided however, that such expansion should be subject to

certain provisions to ensure that underground fresh water supplies in the area are not impaired.

(5) That the casing-tubing annulus should be filled with an inert fluid, and that a pressure gauge or other approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(6) That the applicant should be permitted to use its Eaves "A" Well No. 7 for water injection as described above only after the applicant has submitted to the Hobbs District Office and the Santa Fe Office of the Division those items required by the Division pursuant to the provisions of Division Memorandum 3-77, dated August 24, 1977, and only after taking any remedial action deemed necessary by the Hobbs District Supervisor of the Division on wells within one-half mile of said Eaves "A" Well No. 7.

(7) That the injection well or injection pressurization system should be so equipped as to limit injection pressure at the wellhead to 620 psi, but the Division Director should have authority to increase said pressure limitation, should circumstances warrant, and if such pressure increase can be accomplished safely.

(8) That subject to the above conditions, the subject application should be approved, and the project should be governed by the provisions of Rules 701, 702, and 703 of the Division Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Conoco Inc., is hereby authorized to expand its Scarborough Eaves Pressure Maintenance Project by the injection of water into the Yates and Seven Rivers formations through the perforated interval from 3082 to 3210 feet in its Eaves "A" Well No. 7, located in Unit J of Section 19, Township 26 South, Range 37 East, NMPM, Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico.

(2) That injection shall be through internally coated 3 1/2-inch tubing set in a packer at approximately 3030 feet, and the casing-tubing annulus shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention-attracting leak detection device.

(3) That the injection well herein authorized or the injection pressurization system shall be so equipped as to limit

injection pressure at the wellhead to no more than 620 psi, provided however, that the Division Director may authorize a higher surface injection pressure upon satisfactory showing that such pressure will not result in fracturing of the confining strata.

(4) That the operator shall immediately notify the Hobbs District Office of the Division of the failure of the tubing, casing, or packer in any of the project's injection wells, the leakage of water or oil from or around any producing well, or the leakage of water or oil from or around any plugged and abandoned well within the project area, and shall take such timely steps as may be necessary or required to correct such failure or leakage.

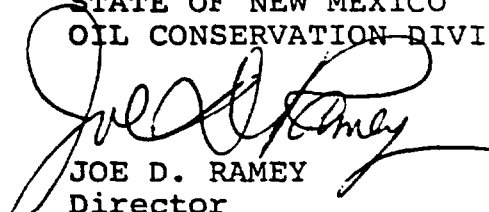
(5) That the Conoco Scarborough Eaves Pressure Maintenance Project shall be governed by the provisions of Rules 701, 702, and 703 of the Division Rules and Regulations, and monthly reports of the project shall be submitted to the Division in accordance with Rules 704 and 1115 thereof.

(6) That prior to commencement of water injection into its Eaves "A" Well No. 7, applicant shall have submitted to the Hobbs District Office and the Santa Fe Office of the Division those items required pursuant to Division Memorandum No. 3-77 dated August 24, 1977, and shall have taken such remedial action as may be deemed necessary by the Hobbs District Office of the Division on any well within one-half mile of said Eaves "A" Well No. 7.

(7) 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  
Director

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ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISIONGARREY CARRUTHERS  
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SANTA FE, NEW MEXICO 87501  
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June 30, 1987

APPLICATION OF CONOCO, INC. TO EXPAND ITS PRESSURE MAINTENANCE PROJECT IN THE SCARBOROUGH YATES SEVEN RIVERS POOL IN LEA COUNTY, NEW MEXICO.

ORDER NO. PMX-146

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-3487-A, Conoco, Inc. has made application to the Division on April 23, 1987 for permission to expand its Scarborough Yates Seven Rivers Pressure Maintenance Project in the Scarborough Yates Seven Rivers Pool in Lea County, New Mexico.

NOW, on this 29th day of June, 1987, the Division Director finds:

1. That application has been filed in due form.
2. That satisfactory information has been provided that all offset operators have been duly notified of the application.
3. That no objection has been received within the waiting period as prescribed by Rule 701B.
4. That the proposed injection well is eligible for conversion to water injection under the terms of Rule 701.
5. That the proposed expansion of the above referenced Pressure Maintenance Project will not cause waste nor impair correlative rights.
6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Conoco, Inc., be and the same is hereby authorized to inject water into the Yates Seven Rivers formations through plastic-lined tubing set in a packer at approximately 2880 feet in the following described well for purposes of pressure maintenance to wit:

Eaves "A" Well No. 5  
1980 FSL and  
1980 FWL (Unit K)  
Section 19, Township 26 South, Range 37 East, NMPM  
Lea County, New Mexico.

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.

That 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.

That prior to commencing injection operations in the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of the casing.

That 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 587 psi.

That 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 Yates Seven Rivers formation. That such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

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

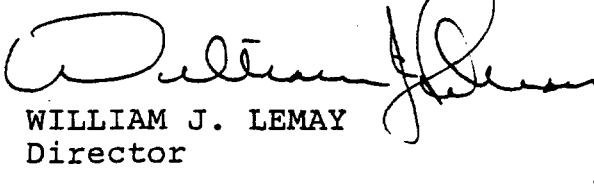
That the operator shall immediately notify the Supervisor of the Division's Hobbs District Office of the failure of the tubing, casing, or packer in said well or the leakage of water from or around said well and shall take such steps as may be timely or necessary to correct such failure or leakage.

That the subject well shall be governed by all provisions of Division Order No. R-3487-A and Rules 702, 703, 704, 705, and 706 not inconsistent herewith.

That the Division Director may rescind or suspend this injection authority if it becomes apparent that the injected water is not being confined to the injection zone or it is endangering any fresh water aquifers.

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY  
Director

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STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

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**ADMINISTRATIVE ORDER SWD-547**

***APPLICATION OF HAL J. RASMUSSEN OPERATING FOR SALT WATER DISPOSAL,  
LEA COUNTY, NEW MEXICO.***

**ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Rule 701(B), Hal J. Rasmussen Operating made application to the New Mexico Oil Conservation Division on November 23, 1993, for permission to complete for salt water disposal its Eaves "A" Well No. 2 located 660 feet from the South line and 660 feet from the West line (Unit M) of Section 19, Township 26 South, Range 37 East, NMPM, Lea 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:**

The applicant herein, Hal J. Rasmussen Operating is hereby authorized to complete its Eaves "A" Well No. 2 located 660 feet from the South line and 660 feet from the West line (Unit M) of Section 19, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico, in such manner as to permit the injection of salt water for disposal purposes into the Seven Rivers formation at approximately 3100 feet to 3200 through 5 1/2-inch plastic-lined tubing set in a packer located at approximately 3044 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 commencing injection operations into the well, 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 620 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 Seven Rivers formation. 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 Hobbs district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs 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 of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

*Administrative Order SWD-547*

*Hal J. Rasmussen Operating*

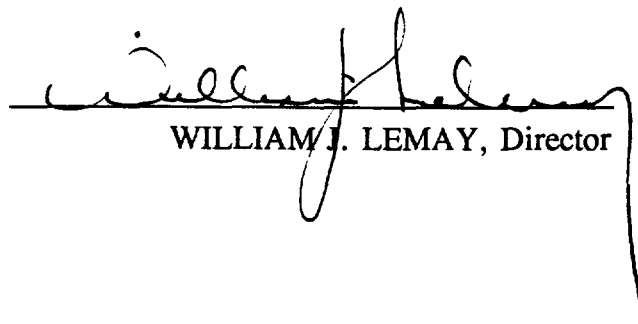
*January 4, 1994*

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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.

Approved at Santa Fe, New Mexico, on this 4th day of January, 1994.

  
WILLIAM J. LEMAY, Director

WJL/BES/amg

xc: Oil Conservation Division - Hobbs