

Commission Meeting – December 9, 2010

Docket No. 3910

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5. **CASE 14547:** (Continued)(This case will be continued to the January 13, 2011 Commission Meeting.)
Application of the New Mexico Oil Conservation Division. The Applicant seeks an order authorizing the Oil Conservation Division to recognize an operator of record for wells currently operated by Yeso Energy, Inc., OGRID 221710. The affected wells are: Dalton Federal #001, 30-015-25259, H-29-17S-29E (located near Loco Hills in Eddy County); Dow B 28 Federal #001, 30-015-28676, P-28-17S-31E (located approximately 5 miles Southeast of Maljamar in Lea County); Gulf McKay Federal #001, 30-025-25471, N-34-18S-32E (located approximately 12 miles Southeast of Maljamar in Lea County); and Morgan Federal #001, 30-005-20667, 3-6-10S-30E (located approximately 15 miles Northwest of Caprock in Chaves County).
6. **CASE 14575:** **Application of Targa Midstream Services Limited Partnership as operator for Versado Gas Processors, LLC ("Targa") for approval to inject acid gas into Targa's existing Eunice Gas Plant Salt Water Disposal (SWD) Well No. 1 (API No. 30-025-21497), Lea County, New Mexico.** Targa proposes to recomple the well which is located on the South Eunice Gas Plant property located east of the intersection of Lea County Roads 18 and 20 approximately five (5) miles south of Eunice, New Mexico to serve as a combined acid gas and wastewater injection well. The well location is more specifically described as 2580 feet from the South line and 1200 feet from the West line of Section 27, Township 22 South, Range 37 East, NMPM. NMOCD previously approved this proposal in NMOCD Administrative Order SWD 1161, which modified its earlier Order No. R-12809. This application makes certain additions to the scope of work to be completed in connection with the recomple and development of the well. The proposed injection would be into the San Andres formation through an injection interval from 4250 feet to 4950 feet; would have a maximum injection pressure of 1292 psi; and would have a maximum daily injection rate of 4075 barrels per day of injection fluid consisting of approximately 2500 barrels per day of acid gas and approximately 1575 barrels per day of produced water/wastewater. The recomple well will receive the wastewater from the Middle and South Plants in addition to the proposed treated acid gas (TAG) stream. Targa may be contacted through its representative, Mr. Alberto Gutierrez, 500 Marquette Ave NW, Suite 1350, Albuquerque, New Mexico 87102 or (505) 842-8000.