

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF
DALEN RESOURCES OIL & GAS COMPANY FOR
SALT WATER DISPOSAL, EDDY COUNTY,
NEW MEXICO

CASE NO. 11288

RECEIVED

MAY 9 1995

APPLICATION

Oil Conservation Division

Dalen Resources Oil & Gas Company, by and through its undersigned attorneys,
Miller, Stratvert, Torgerson & Schlenker, P.A., hereby makes application to the Oil
Conservation Division for an order authorizing the disposal of produced salt water into the
Bell Canyon-Delaware Formation. In support, Applicant would show the Division:

1. Applicant is the operator of the Murchison State 2 No. 1 well located in Unit
H in Section 2, Township 25 South, Range 26 East NMPM, Eddy County, New Mexico. The
Murchison State 2 No. 1 well is currently producing from the Delaware formation at the
perforated interval located between 5,133 feet and 5,166 feet.
2. Applicant proposes to dispose of produced salt water from the Murchison
State 2 No. 1 well by a new disposal well to be drilled at a location 760 feet from the south
line and 330 from the east line of Section 2, Township 25 South, Range 26 East NMPM,
Eddy County, New Mexico.
3. Applicant proposes to inject produced waters into the Bell Canyon-Delaware
Formation located at the interval from 2,304 feet to 2,428 feet at a maximum injection rate

of 5,000 barrels of water per day, with an average of 2,500 barrels per day and at a maximum injection pressure of 500 lbs. per square inch.

4. Applicant believes that disposal by injection will not contaminate any supply of fresh water, whether surface water or underground water, and no stock tanks or other temporary or permanent water facilities that may exist in the area would be affected.

5. Produced water from the Murchison State 2 No. 1 Well is presently being trucked to a disposal site at considerable expense to the Applicant.

6. Approval of this application will prolong the economic life of the well, permit the recovery of hydrocarbons over a longer period of time and will prevent waste. No damage will occur to the surface or underground and the correlative rights of no owner will be affected.

WHEREFORE, Dalen Resources Oil & Gas Company requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division at its hearing scheduled for June 1, 1995, and that after notice and hearing as required by law, the Division enter its order granting this application and providing such other and further relief as is deemed appropriate.

Respectfully submitted,

MILLER, STRATVERT, TORGERSON &
SCHLENKER

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