

GOVERNOR
JOHN BURROUGHS
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
MURRAY E. MORGAN
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY DIRECTOR

P. O. BOX 871
SANTA FE

Mr. Jason Kellahin
Kellahin & Fox
Box 1713
Santa Fe, New Mexico

Re: Case No. 2172
Order No. R-1873

Applicant:

Rice Engineering & Operating, Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC _____
Artesia OCC _____
Aztec OCC _____

Other _____

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. 2172
Order No. R-1873

APPLICATION OF RICE ENGINEERING
& OPERATING, INC. FOR AN ORDER
AUTHORIZING A SALT WATER DISPOSAL
WELL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 8, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 15th day of February, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Rice Engineering & Operating, Inc., seeks an order authorizing the disposal of produced salt water through its Gulf Houston Well No. 1, located 1980 feet from the South line and 1980 feet from the East line of Section 19, Township 12 South, Range 38 East, NMPM, Lea County, New Mexico, with injection to be in the Devonian formation in the interval from 12,200 feet to 12,500 feet.

(3) That internally plastic-coated tubing should be installed within the casing which is to be set at 12,000 feet, and that said casing should be cemented with sufficient cement to circulate at least up into the shoe of the 8 5/8-inch intermediate casing string, and that the casing-tubing annulus should be filled with sweet oil or its equivalent.

(4) That inasmuch as the injection interval is below the oil-water contact in the Devonian formation, the applicant's proposed salt water disposal program will not jeopardize the production of oil, gas, or fresh water in the area.

-2-

CASE No. 2172
Order No. R-1873

IT IS THEREFORE ORDERED:

(1) That the applicant, Rice Engineering & Operating, Inc., is hereby authorized to dispose of produced salt water into the Devonian formation through its Galf Houston Well No. 1, located 1980 feet from the South line and 1980 feet from the East line of Section 19, Township 12 South, Range 38 East, NMPM, Lea County, New Mexico, with the injection interval from 12,200 feet to 12,500 feet.

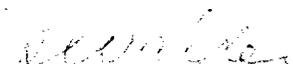
PROVIDED HOWEVER, That internally plastic-coated tubing shall be installed within the casing which shall be set at 12,200 feet, and that said casing shall be cemented with sufficient cement to circulate at least up into the shoe of the 8 5/8-inch intermediate casing string, and that the casing-tubing annulus shall be filled with sweet oil or its equivalent.

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1119 of the Commission Rules and Regulations.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


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

