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OIL CONSERVATION DIVISION
Telephone 982-4285
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October 3, 1984

Mr. Gilbert Quintana
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

"Hand Delivered"

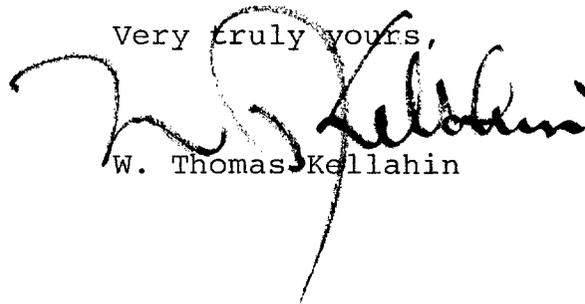
Re: Sun Exploration & Production
NMOCD Case 8333
September 5, 1984

Dear Gilbert:

On behalf of Sun Exploration and Production Company, please find enclosed for your consideration, a proposed order for entry in the above referenced case.

Sun would like to commence on this project as soon as possible and your earliest attention to this request would be most appreciated.

Very truly yours,



W. Thomas Kellahin

WTK:ca
Enc.

cc: Mr. J. T. Powers
Sun Exploration & Production
P. O. Box 2880
Dallas, Texas 75221

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OCT 5 - 1984

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 8333
ORDER NO. R-7313-B

APPLICATION OF SUN EXPLORATION AND
PRODUCTION COMPANY FOR AMENDMENT TO
DIVISION ORDER NO. R-7313-A, LEA
COUNTY, NEW MEXICO.

PROPOSED
ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 5, 1984, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this ____ day of October, 1984, 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, Sun Exploration and Production Company, seeks an amendment to Division Order No. R-7313-A, dated October 5, 1983, which authorized its Jennings "B" Federal Well No. 2 located in the SE/4 SW/4 (Unit N) of Section 15, Township 19 South, Range 32 East, NMPM, Northeast Lusk Field, Lea County, New Mexico, to be used as a salt water disposal well.

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(3) That the applicant seeks to change the injection interval in said well to include the Seven Rivers Formation through open hole interval from 3100 feet to 3350 feet.

(4) That authorization of the additional interval for disposal purposes will allow the applicant to dispose of greater volumes of salt water into said well at lower pressures, will not impair correlative rights nor cause waste and should be approved.

(5) That the operator should notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(6) That the operator should 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.

(7) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That Order No. (1) on Page 2 of Division Order No. R-7313-A, dated October 5, 1983, is hereby amended to read in its entirety as follows:

"(1) That the applicant, Sun Exploration and Production Company, is hereby authorized to utilize its Jennings "B" Federal Well No. 2, located in Unit N of Section 15, Township 19 South, Range 32 East, NMPM, Northeast Lusk Field, Lea County, New Mexico, to dispose of produced salt water into the Yates and Seven Rivers formations, injection to be accomplished through 2 3/8 inch tubing installed in a packer set at approximately 2950 feet, with injection into the perforated interval from approximately 2986 feet to 3004 feet, from approximately 3050 feet to 3060 feet, and open hole from 3100 feet to 3350 feet.

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PROVIDED HOWEVER, that the tubing shall be plastic or cement-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 shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer."

(2) 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

RICHARD L. STAMETS
Acting Director

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