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:

BEFORE EXAMINER QUINTANA
OIL CONSERVATION DIVISION
M+W_EXHIBIT NO. 1
 CASE NO. 8702
CASE NO. 3972

Order No. R-3616

APPLICATION OF SUNSET INTERNATIONAL PETROLEUM CORPORATION FOR SALT WATER DISPOSAL, ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 2, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>9th</u> day of December, 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,

FINES:

(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, Sunset International Petroleum Corporation, is the owner and operator of the O'Neill State Well No. 1, located in Unit L of Section 16, Township 8 South, Range 36 East, NMPM, South Prairie Field, Roosevelt County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced San Andres salt water into the Bough "C" zone of the Pennsylvanian formation, with injection into the perforated interval from approximately 9679 feet to 9685 feet.

(4) That the injection should be accomplished through 2 3/8-inch plastic-lined tubing installed in a packer set at approximately 9660 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(5) That the applicant should continuously treat the water to be disposed of in a manner adequate to accomplish removal of -2-CASE NO. 3972 Order No. R-3616

substantially all sulfices to avoid adverse precipitative effect upon the waters present in the disposal zone.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Sunset International Petroleum Corporation, is hereby authorized to utilize its O'Neill State Well No. 1, located in Unit-L of Section 16, Township-S-South, Range 36 East, NMPM, South Prairie-Field, Roosevelt County, New Mexico, to dispose of produced San Andres salt water into the Bough "C" mone of the Pennsylvanian formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 9660 feet, with injection into the perforated interval from approximately 9679 feet to 9685 feet;

<u>PROVIDED HOWEVER</u>, 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 casing, tubing, or packer;

<u>PROVIDED FURTHER</u>, that the applicant shall continuously treat the water to be disposed of in a manner adequate to accomplish the removal of substantially all of the sulfides present in order to avoid adverse precipitative effect upon the waters present in the disposal zone.

(3) entr

wallon may deem necessary.

A LOT DEXICO, on the day and year hereinabove

designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

SEAL

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