

IT IS THEREFORE ORDERED: *Case # 5765 6-22-77 RLL*
Order # 5478 6-28-77

(1) That the applicant, Layton Enterprises, Inc., is hereby authorized to complete its Elkins State Well No. 1, located in Unit N of Section 1, Township 7 South, Range 28 East, NMPM, Chaves County, New Mexico, as a dual completion to produce oil from the Cisco Formation through tubing within the production casing and to dispose of produced salt water through the 8 5/8-inch and 5 1/2-inch casing/casing annulus into the San Andres and Yeso Formations through the open-hole interval from 1,861 feet to approximately 5,000 feet.

(2) That the applicant shall treat the injected water to prevent corrosion.

(3) That the well shall be equipped with a pop-off valve or in some other acceptable manner so as to limit wellhead injection pressures to no more than 400 psi.

(4) That the operator shall immediately notify the supervisor of the Commission's district office at Artesia of the failure of the injection well in any manner, the leakage of water from or around said well, or any other evidence of migration of water from the injection zone, and shall take such timely steps as may be necessary or required to correct such failure or leakage.

(5) That the applicant shall promptly notify the supervisor of the Commission's district office at Artesia of the date of first injection.

(6) That this order shall expire 12 months following the date of first injection.