



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

RECEIVED

MAR 15 1979

March 13, 1979

O. C. C.
ARTESIA, OFFICE

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Stallworth Oil & Gas, Inc.
P. O. Box 479
Dallas, Texas 75221

Attention: Murray E. Helmers

Re: Etz Well No. 3 J, 25-16S-30 E,
Square Lake Pool, Eddy County,
New Mexico - WFX No. 473

Dear Mr. Helmers:

Enclosed please find Division Administrative Order No. WFX-473 authorizing the conversion of the subject well to water injection. Prior to conversion of the subject well Stallworth Oil and Gas may wish to consider the following matters:

- (1) There are a number of apparently poorly plugged or completed wells in the vicinity of the subject well which might serve to permit injected water to escape from the injection zone to other strata.
- (2) The Division and the U. S. Geological Survey are currently conducting extensive surveys in Eddy County to determine where such leakage may be occurring around waterflood projects and salt water disposal wells.
- (3) Where such leakage is found injectors may be faced with the alternative of either repairing the poorly plugged or completed wells in the vicinity or shutting down injection operations.

Personnel from our Artesia district office have made a preliminary visual inspection in the area of the subject well and saw no obvious signs of leakage, therefore, this well is being approved for injection. Should the later more extensive survey show leakage is occurring you will probably be faced with a decision as outlined in Item (3) above.

Very truly yours,

JOE D. RAMEY
Division Director

JDR/RLS/og

*2-21-79
Sent letter to S. Stallworth
copy of WFX 473*

Prior