

IT IS THEREFORE ORDERED:

8-9-74 SWD 159

That the applicant herein, Yates Petroleum Corporation is hereby authorized to complete its Federal LDY Well No. 3 located in Unit F of Section 27, Township 17 South, Range 25 East, Eddy County, New Mexico, in such a manner as to permit the injection of salt water for disposal purposes into the San Andres formation at approximately 1291 feet to approximately 1415 feet through 2 3/8 inch tubing set in a packer located at approximately 1212 feet.

IT IS FURTHER ORDERED:

That the operator shall 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.

That the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface to facilitate detection of leakage in the casing, tubing, or packer.

That the operator shall notify the supervisor of the Commission's Artesia District Office before injection is commenced through said well.

That the operator shall immediately notify the supervisor of the Commission's Artesia District Office of the failure of the tubing, casing, or packer in said well or the leakage of water from or around said well and shall take steps as may be timely or necessary to correct such failure or leakage.