

Unit I of Section 19, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico, to dispose of produced salt water into the Seven Rivers-Queen-Grayburg-San Andres formations, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 2150 feet, with injection into the perforated interval from approximately 2205 feet to 2299 feet;

PROVIDED HOWEVER, 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 or the annulus shall be equipped with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

PROVIDED FURTHER, that the approval contained herein is limited to a total cumulative injection volume of one million barrels unless the operator receives an increase in this limiting volume as hereinafter provided.

(2) That the injection well or system shall be equipped with a pressure limiting switch or other acceptable device which will limit the wellhead pressure on the injection well to no more than 441 psi.

(3) That the Director of the Division may authorize an increase in injection pressure or the limiting injection volume upon a proper showing by the operator of said well that such increase will not result in migration of the injected fluid from the Seven Rivers-Queen-Grayburg-San Andres formations through the plugged and abandoned wells shown in Finding No. (4) of this order or in any other manner.

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

(5) That the operator shall immediately notify the supervisor of the Division'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 such steps as may be timely and necessary to correct such failure or leakage.

(6) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 702, 703, 704, 705, 706, 708, and 1120 of the Division Rules and Regulations.