30-815-20015



Re: Case No. 5367 Order No. R-4952

Dear Mr. Losee:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

It will be noted that Order No. 2 of the order provides that the injection well or system shall be equipped with a pop-off value or acceptable substitute to limit the well head injection pressure. Should any pressure limiting device or procedure be used which could result in discharge of water to the surface of the ground, such system must provide for retention of the water in an emergency pit and return of such water to the disposal system.

## Very truly yours,

## A. L. PORTER, Jr. Secretary-Director

## IT IS THEREFORE ORDERED: 6.6.12 4952 1-8-75

(1) That the applicant, Yates Petroleum Corporation, is hereby authorized to utilize its Hornbaker BA Well No. 1, located in Unit G of Section 25, Township 18 South, Range 25 East, NMPM, Penasco Draw Yeso-San Andres Pool, Eddy County, New Mexico, to dispose of produced salt water into the Yeso and San Andres formations, injection to be accomplished through 2 3/8-inch 1650 psi fiberglass tubing installed in a packer set at approximately 1370 feet, with injection into the perforated intervals from approximately 1400 feet to 2480 feet;

PROVIDED HOWEVER, that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge or other approved leak detection device shall be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(2) That the injection well or system shall be equipped with a pop-off value or acceptable substitute which will limit the well head pressure on the injection well to no more than 700 psi.

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

(4) 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 such steps as may be timely and necessary to correct such failure or leakage.

ł

(5) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.