

(5) That the injection well or system should 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 660 psi.

(6) That the Director of the Division should be authorized to administratively approve an increase in the injection pressure upon a proper showing by the operator that such higher pressure will not result in migration of the injected waters from the Delaware formation.

(7) That the applicant should be required to determine the top of the cement on the 9 5/8-inch casing by means of a cement bond log.

(8) That the operator should notify the supervisor of the Artesia district office of the Division of the date and time of the running of the cement bond log and the installation of disposal equipment so that the same may be inspected.

(9) That the supervisor of said district office should be authorized to require recementing of the 9 5/8-inch casing if the top of the cement is determined to be below 3290 feet.

(10) That the operator should 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.

(11) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, BBC Inc., is hereby authorized to utilize its Ross Draw Federal Well No. 1, located in Unit C of Section 33, Township 26 South, Range 30 East, NMPM, Eddy County, New Mexico, to dispose of produced salt water into the Delaware formation, injection to be accomplished through 4 1/2-inch tubing installed in a packer set at approximately 3,200 feet, with injection into the perforated interval from approximately 3,300 feet to 4,600 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.