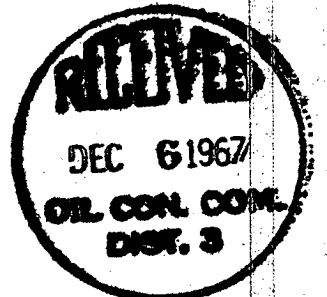


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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3689
Order No. R-3351

APPLICATION OF SUNRAY DX OIL COMPANY
FOR A DUAL COMPLETION AND SALT WATER
DISPOSAL, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 29, 1967,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of December, 1967, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

- (1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.
- (2) That the applicant, Sunray DX Oil Company, seeks
authority to complete its Navajo Table Mesa Well No. 2, located
in Unit O of Section 27, Township 28 North, Range 17 West, NMPM,
San Juan County, New Mexico, as a dual completion to produce oil
from the Table Mesa-Pennsylvanian "C" Oil Pool through 2 3/8-inch
tubing in the 5 1/2-inch casing and to dispose of produced salt
water down the annulus between the 5 1/2-inch production casing
and the intermediate casing string of 9 5/8-inch casing and
7 5/8-inch liner into the Organ Rock formation, with injection
into the perforated interval from approximately 5505 feet to
5525 feet.
- (3) That the produced salt water should be continuously
treated prior to injection to prevent casing corrosion and coupon
corrosion tests shall be conducted continuously on said well and

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CASE No. 3689
Order No. R-3351

the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission.

(4) That approval of the dual completion and salt water disposal as set out above will prevent the drilling of unnecessary wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Sunray DX Oil Company, is hereby authorized to complete its Navajo Table Mesa Well No. 2, located in Unit O of Section 27, Township 28 North, Range 17 West, NMPM, San Juan County, New Mexico, as a dual completion to produce oil from the Table Mesa-Pennsylvanian "C" Oil Pool through 2 3/8-inch tubing in the 5 1/2-inch casing and to dispose of produced salt water down the annulus between the 5 1/2-inch production casing and the intermediate casing string of 9 5/8-inch casing and 7 5/8-inch liner into the Organ Rock formation, with injection into the perforated interval from approximately 5505 feet to 5525 feet;

PROVIDED HOWEVER, that the produced salt water shall be continuously treated prior to injection to prevent casing corrosion, and provided further, that coupon corrosion tests shall be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission;

PROVIDED FURTHER, that the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

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