SUBJECT: SALT WATER DISPOSAL WELL

ORDER NO. SWD-147

THE APPLICATION OF READ AND STEVENS, INC. FOR A SALT WATER DISPOSAL WELL.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 701 (C) Read and Stevens, Inc., made application to the New Mexico Oil Conservation Commission on August 1, 1973, for permission to complete for salt water disposal its Federal "L" Well No. 1 located in Unit B of Section 21, Township 6 South, Range 27 East, NMPM, Chaves County, New Mexico.

The Secretary-Director finds:

1. That application has been duly filed under the provisions of Rule 701 (C) of the Commission Rules and Regulations:

2. That satisfactory information has been provided that all offset operators, surface owners, and the New Mexico State Engineer Office have been duly notified; and

3. That the applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 (C) will be met.

4. That a waiver of objection has been received from the only offset operator within a two-mile radius of the subject well and therefore, the waiting period prescribed by said rule may be dispensed with in this instance.

IT IS THEREFORE ORDERED:

That the applicant herein, Read and Stevens, Inc., is hereby authorized to complete its Federal "L" Well No. 1 located in Unit B of Section 21, Township 6 South, Range 27 East, NMPM, Chaves County, New Mexico, in such a manner as to permit the injection of salt water for disposal purposes into the Montoya formation at approximately 6325 feet to approximately 6345 feet through 2-inch tubing with a packer set at approximately 5975 feet.

IT IS FURTHER ORDERED:

That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after notice and hearing, the Commission may terminate the authority hereby granted in the interest of conservation. That applicant shall submit monthly reports of the disposal operation in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

APPROVED at Santa Fe, New Mexico, on this 10th day of August, 1973.

STATE OF NEW MEXICO OLL CONSERVATION COMMISSION biter, L.

A. L. PORTER, Jr. Secretary-Director