ORDER NO. SWD-154

SUBJECT: SALT WATER DISPOSAL WELL

THE APPLICATION OF ARAHO, INC. FOR A SALT WATER DISPOSAL WELL.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 701 (C) Araho, Inc., made application to the New Mexico Oil Conservation Commission on March 4, 1974, for permission to complete for salt water disposal its State "LC" Well No. 1 located in Unit I of Section 1, Township 17 South, Range 36 East, NMPM, Lea 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 and surface owners 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 no objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED:

That the applicant herein, Araho, Inc., is hereby authorized to complete its State "LC" Well No. 1 located in Unit I of Section 1, Township 17 South, Range 36 East, NMPM, Lea County, New Mexico, by the installation of a 5 1/2 inch liner from 4799 feet to approximately 12,150 feet and to dispose of produced salt water through 3 1/2-inch plastic-lined tubing set in a packer located not higher than 12,100 feet, said disposal to be confined to the Silurian formation.

IT IS FURTHER ORDERED:

That the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface to facilitate detection of leakage in the casing, tubing, or packer.

PROVIDED FURTHER:

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 1st day of April, 1974.

STATE OF NEW MEXICO

CONSERVATION COMMISSION

Secretary-Director