

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7969
Order No. R-7293-A

APPLICATION OF YATES PETROLEUM
CORPORATION FOR AMENDMENT TO
DIVISION ORDER NO. R-7293, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 28, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 5th day of October, 1983, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Yates Petroleum Corporation, seeks an amendment to Division Order No. R-7293, dated June 6, 1983, which authorized its Midwest "XV" State Well No. 1, located 660 feet from the North line and 1980 feet from the East line of Section 19, Township 14 South, Range 33 East, NMPM, Lea County, New Mexico, to be used as a salt water disposal well.

(3) That the applicant seeks to change the injection in said well from the perforated interval from approximately 10,378 feet to 10,578 feet to an open hole interval from approximately 10,420 feet to 10,740 feet.

(4) 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 2084 psi.

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(5) That authorization of the additional perforated interval for disposal purposes will allow the applicant to dispose of greater volumes of salt water into said well at lower pressures, will not impair correlative rights nor cause waste and should be approved.

(6) That the operator should notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment so that the same may be inspected.

(7) 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.

(8) 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 Order No. (1) on Page 2 of Division Order No. R-7293, dated June 6, 1983, is hereby amended to read in its entirety as follows:

"(1) That the applicant, Yates Petroleum Corporation, is hereby authorized to utilize its Midwest "XV" State Well No. 1, located 660 feet from the North line and 1980 feet from the East line of Section 19, Township 14 South, Range 33 East, NMPM, Lea County, New Mexico, to dispose of produced salt water into the Permo-Pennsylvanian formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 10,300 feet, with injection into the open hole interval from approximately 10,420 feet to 10,740 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."

(2) That Order No. (2) on Page 2 of said Order No. R-7293 is hereby amended to read in its entirety as follows:

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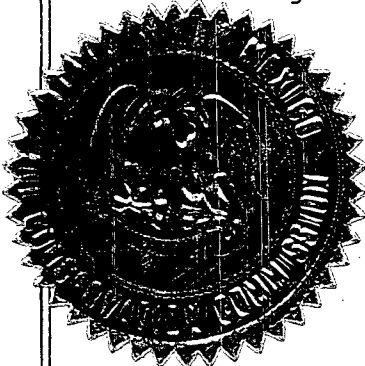
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"(2) That the injection well or system shall be equipped with a pressure limiting switch or other acceptable device which will limit the wellhead pressure on the injection well to no more than 2084 psi."

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

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

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