

Entered October 12, 1976

JOR

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. 5753
Order No. R-5217-A

APPLICATION OF A. H. RAINS FOR
AMENDMENT OF ORDER NO. R-5217,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 15, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 12th day of October, 1976, 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 by Commission Order No. R-5217 dated May 18, 1976, the applicant, A. H. Rains, was granted authority to utilize his Pure State Well No. 1, located in Unit J of Section 15, Township 21 South, Range 27 East, NMPM, Magruder-Yates Pool, Eddy County, New Mexico, as a salt water disposal well for water production from said Pure State Lease.
- (3) That it now appears that said Pure State Well No. 1 may be better utilized as a producing well.
- (4) That the applicant seeks the amendment of Order No. R-5217 to provide an administrative procedure for the approval of substitute or additional salt water disposal wells on said Pure State Lease in Section 15, Township 21 South, Range 27 East, Magruder-Yates Pool, Eddy County, New Mexico.
- (5) That the applicant is the only operator in said Magruder-Yates Pool.
- (6) That approval of the application may result in greater recovery of oil from said Pure State Lease, will not cause waste, will not violate correlative rights, and will not endanger fresh waters provided that proper well construction and monitoring procedures are required.

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(7) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That Order (1), (2), and (3), of Commission Order No. R-5217 are hereby amended to read in their entirety as follows:

"(1) That the applicant, A. H. Rains, is hereby authorized to utilize his Pure State Well No. 1, located in Unit J of Section 15, Township 21 South, Range 27 East, NMPM, Magruder-Yates Pool, Eddy County, New Mexico, to dispose of produced salt water into the Yates formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 535 feet, with injection into the open-hole interval from approximately 540 feet to 551 feet.

"(2) The Secretary-Director of the Commission is hereby authorized to approve such additional or substitute injection wells at orthodox and unorthodox locations within the boundaries of applicant's Pure State Lease as may be necessary to handle produced water therefrom, provided said wells are located no closer than 660 feet to the outer boundary of said lease nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary. To obtain such approval, the operator shall file proper application with the Commission, which application shall include the following:

(a) A plat showing the location of the proposed well, all wells within the project area, and offset operators, locating wells which offset the project area.

(b) A schematic drawing of the proposed disposal well which fully describes the casing, tubing, perforated interval, and depth.

(c) A letter stating that all offset operators to the proposed well have been furnished a complete copy of the application and the date of notification.

The Secretary-Director may approve the proposed well if, within 20 days after receiving the application, no objection to the proposal is received. The Secretary-Director may grant immediate approval of the application upon receipt of waivers from offsetting operators.

"(3) That terms and conditions of approval of any disposal well under provisions of this order shall be as follows:

(a) 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

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with an approved leak detection device in order to determine leakage in the casing, tubing, or packer.

(b) That the operator shall notify the supervisor of the Artesia district office of the Commission of the date and time of the installation of disposal equipment so that the same may be inspected.


(c) That the operator shall immediately notify the supervisor of the Commission's Artesia district office of the failure of the tubing, casing, or packer, in said well or the leakage of water from or around said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

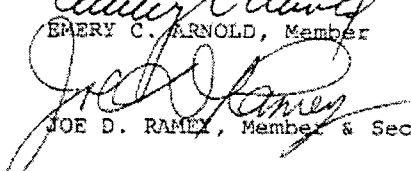
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

NAME <u>A. H. RAINS</u>		ADDRESS <u>Box 422 CARLSBAD, N.M. 88220</u>	
LEASE NAME <u>EXXON STATE</u>	WELL NO. <u>8</u>	FIELD <u>MAGRUDER</u>	COUNTY <u>INDY</u>
LOCATION OIL LETTER <u>0</u> WELL IS LOCATED <u>1268</u> FEET FROM THE <u>SOUTH</u> LINE AND <u>2032</u> FEET FROM THE <u>EAST</u> LINE, SECTION <u>15</u> TOWNSHIP <u>21S</u> RANGE <u>27E</u> N.M.P.M.			

CASING AND TUBING DATA

NAME OF STRING	SIZE	SETTING DEPTH	SACKS CEMENT	TOP OF CEMENT	TOP DETERMINED BY
SURFACE CASING	<u>8 5/8"</u>	<u>175'</u>	<u>CIRCULATION</u>	<u>SURFACE</u>	<u>CIRCULATION</u>
INTERMEDIATE					
LONG STRING	<u>5 1/2"</u>	<u>555'-570'</u>	<u>CIRCULATION</u>	<u>SURFACE</u>	<u>CIRCULATION</u>
TUBING			NAME, MODEL AND DEPTH OF TUBING PACKER <u>QUIRKERSON HOOKWELL 555'</u>		

NAME OF PROPOSED INJECTION FORMATION <u>SANDY LINE POROUS ZONE</u>		TOP OF FORMATION <u>570'</u>	BOTTOM OF FORMATION <u>600'</u>
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? <u>2" TUBING</u>	PERFORATIONS OR OPEN HOLES <u>OPEN HOLE</u>	PROPOSED INTERVAL(S) OF INJECTION <u>POROUS ZONE</u>	
IS THIS A NEW WELL DRILLED FOR DISPOSAL? <u>YES</u>	IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? <u>FOR DISPOSING OF WATER</u>	HAS WELL EVER BEEN PERFORATED IN ANY ZONE OTHER THAN THE PROPOSED INJECTION ZONE? <u>NO</u>	

LIST ALL SUCH PERFORATED INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF OR SQUEEZE EACH

DO ANY OTHERS OF DEEPER WATER ZONE IN THIS AREA <u>NONE</u>		DEPTH OF BOTTOM OF NEXT DEEPER OIL OR GAS ZONE IN THIS AREA <u>NONE</u>	DEPTH OF TOP OF NEXT DEEPER OIL OR GAS ZONE IN THIS AREA <u>NONE</u>
ANTICIPATED DAILY INJECTION VOLUME (BBLS.) <u>UNKNOWN</u>	MINIMUM <u>0</u>	MAXIMUM <u>0</u>	OPEN OR CLOSED TYPE SYSTEM <u>CLOSED</u>
ANSWER YES OR NO WHETHER THE FOLLOWING WATERS ARE MINERALIZED TO SUCH A DEGREE AS TO BE UNFIT FOR DOMESTIC, STOCK, IRRIGATION, OR OTHER BENEFICIAL USE - <u>YES</u>		WATER TO BE DISPOSED OF <u>YES</u>	IS INJECTION TO BE BY GRAVITY OR PRESSURE? <u>GRAVITY</u>
APPROX. PRESSURE (PSI) <u>—</u>		NATURAL WATER IN DISPOSAL ZONE <u>YES</u>	ARE WATER ANALYSES ATTACHED? <u>YES</u>

NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND) <u>STATE LAND J. D. SPEARS GRAZING LEASE Box 1017 CARLSBAD, N.M. 88220</u>	
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF (1/2) MILE OF THIS INJECTION WELL <u>YATE PETROLEUM CORPORATION, ARTERIA, N.M. 88210</u> <u>PERRY BASIN, MIDLAND, TX</u>	

HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING? <u>YES</u>	SURFACE OWNER <u>YES</u>	EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL <u>YES</u>	THE NEW MEXICO STATE ENGINEER <u>YES</u>
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-B)? <u>YES</u>	PLAT OF AREA <u>YES</u>	ELECTRICAL LOG <u>YES</u>	DIAGRAMATIC SKETCH OF WELL <u>YES</u>

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

(Signature)

(Title)

(Date)

NOTE: Should waivers from the State Engineer, the surface owner, and all operators within one-half mile of the proposed injection well not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. If at the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests. SEE RULE 701.