GOVERNOR JACK M. CAMPBELL. CHAIRMAN

State of New Mexico

Bil Conserbation Commission

LAND COMMISSIONER E. B. JOHNNY WALKER MEMBER



P. D. BOX 871 SANTA FE

March 13, 1964

STATE GEOLOGIST A L PORTER, JR. SECRETARY - DIRECTOR

Mr. Paul Cooter Atwood & Malone Attorneys at Law Box 700 Roswell, New Mexico

Case No. 2979 Re: Order No. R-2661

Applicant:

Pan American Petroleum Corp.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ir/ Carbon copy of order also sent to: Hobbs OCC ____X Artesia OCC X Astec OCC ____ Mr. Frank Irby OTHER

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. 2979 Order No. R-2661

APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION FOR SALT WATER DISPOSAL, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 19, 1964, at santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 13th day of March, 1964, 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, Pan American Petroleum Corporation, is the owner and operator of the U.S.A. Malco Refineries 'G' Well No. 13, located 2302 feet from the South line and 1650 feet from the West line of Section 10, Township 18 South, Range 27 East, NMPM, Empire-Abo Pool, Eddy County, New Mexico.
- (3) That the applicant proposes to utilize said U.S.A. Malco Refineries 'G' Wall No. 13 to dispose of produced salt water into the Abo formation, with the injection interval from 6001 to 6903 feet.
- (4) That the injection should be accomplished through 2 3/8-inch internally plastic-coated tubing installed in a packer set at approximately 5990 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus in order to determine leakage in the tubing or packer.
- (5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

-2-CASE No. 2979 Order No. R-2661

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby authorized to dispose of produced salt water into the Abo formation through its U.S.A. Malco Refineries 'G' Well No. 13, located 2302 feet from the South line and 1650 feet from the West line of Section 10, Township 18 South, Range 27 East, NMPM, Empire-Abo Pool, Eddy County, New Mexico, injection to be accomplished through 2 3/8-inch internally plastic-coated tubing installed in a packer set at approximately 5990 feet, with the injection interval from 6001 to 6093 feet;

PROVIDED HOWEVER, That the casing-tubing annulus shall be filled with an inert fluid, and that a pressure gauge shall be attached to the annulus in order to determine leakage in the tubing or packer.

- (2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1119 of the Commission Rules and Regulations.
- (3) 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

TOUR M. CAMPBELL Chairman

E. S. WALKER, Member

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

esr/