



TONY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

50 YEARS



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

December 6, 1985

Joe King, District Manager
Texaco USA
P. O. Box 728
Hobbs, New Mexico 88240

Dear Mr. King:

Based upon your submittals of October 14 and November 27, 1985, Texaco is hereby authorized to continue to use its New Mexico "R" State NCT-2 Well No. 5 located in Unit B of Section 2, Township 18 South, Range 34 East, to dispose of produced salt water under the terms and conditions of Division Order No. R-5391.

Sincerely,

R. L. STAMETS
Director

RLS/fd

cc: Jerry Sexton
Prentiss Childs



Joe E King
District Manager

Texaco USA

PO Box 728
Hobbs NM 88240
505 393 7191

October 14, 1985

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. R. L. Stamets

Gentlemen:

On March 15, 1977, Texaco was granted permission to temporarily dispose of produced salt water in its New Mexico "R" State NCT-2 Well No. 5 by Commission Order No. R-5391, copy attached. Texaco hereby requests that this Order be re-instated.

Texaco plans to drill four wells in the Central Vacuum Unit during the First Quarter of 1986. Heavy waterflows from the salt section are anticipated. Additional temporary water disposal facilities will be required at that time. It is anticipated that injection into the subject well will be discontinued within six months after commencement.

Mr. Sexton, NMOCD District I Director, has recommended that we appeal to your office for re-instatement of Commission Order No. R-5391.

Yours very truly,

MAK:JEB

*Waiting for
plot and offset
waivers*

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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. 5874
Order No. R-5391

APPLICATION OF TEXACO INC. FOR
SALT WATER DISPOSAL, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 9, 1977,
at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 15th day of March, 1977, 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, Texaco Inc., is the owner and opera-
tor of the New Mexico "R" State (NCT-2) Well No. 5, located
in Unit B of Section 2, Township 18 South, Range 34 East,
NMPM, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to
dispose of produced salt water into the Lower San Andres
formation, with injection into perforated intervals from
approximately 5,020 feet to 5,946 feet.

(4) That the injection should be accomplished through
2 1/16-inch plastic lined tubing set at approximately 4090 feet;
that the casing-tubing annulus should be loaded with a
hydraulically balanced column of inert fluid; and that a
pressure gauge or approved leak detection device should be
attached to the annulus in order to determine leakage in the
casing, tubing, or packer.

(5) That the injection well or system should be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 800 psi.

(6) That the operator should notify the supervisor of the Hobbs district office of the Commission 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, provided that such injection does not occur for more than six months.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to utilize its New Mexico "R" State (NCT-2) Well No. 5, located in Unit B of Section 2, Township 18 South, Range 34 East, NMPM. Vacuum Grayburg-San Andres Pool, Lea County, New Mexico, to dispose of produced salt water into the Lower San Andres formation, injection to be accomplished through 2 1/16-inch tubing set at approximately 4,090 feet, with injection into perforated intervals from approximately 5,020 feet to 5,946 feet

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be loaded with a hydraulically balanced column of 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 the injection well or system shall be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 800 psi.

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

(4) That the operator shall immediately notify the supervisor of the Commission's Hobbs 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.

(5) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

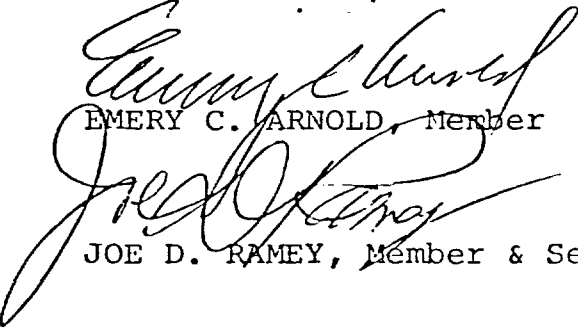
(6) That injection into the subject well for disposal purposes shall be discontinued within six months after commencement thereof, unless approval for continued injection has been obtained from the offset operator and the Secretary-Director of the Commission.

(7) 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

S E A L

dr/



Texaco USA

P O Box 728
Hobbs NM 88240
505 393 7191



November 27, 1985

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. R. L. Stamets

Gentlemen:

Please reference our letter of October 14, 1985 requesting re-instatement of Commission Order No. R-5391, copy attached. Re-instatement of this Order would allow Texaco to utilize its New Mexico "R" State NCT-2 Well No. 5 as a temporary disposal well.

As requested, a mechanical integrity test was performed on the subject well on November 1, 1985. The test was witnessed by Mr. Jack Griffith of the District I NMOCD Office. The casing was pressure tested at 525 psi for twelve hours. No leaks were indicated. A copy of the Pressure Recorder Chart is attached.

Also attached, as requested, is a plat of the lease and a Waiver of Objection signed by Phillips Petroleum Company, the only Offset Operator.

Yours very truly,

W. B. CADE
District Operations Manager

MAK:JEB

Attachments



Joe E King
District Manager

Texaco USA

PO Box 728
Hobbs NM 88240
505 393 7191

October 14, 1985

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. R. L. Stamets

Gentlemen:

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Texaco plans to drill four wells in the Central Vacuum Unit during the First Quarter of 1986. Heavy waterflows from the salt section are anticipated. Additional temporary water disposal facilities will be required at that time. It is anticipated that injection into the subject well will be discontinued within six months after commencement.

Mr. Sexton, NMOCD District I Director, has recommended that we appeal to your office for re-instatement of Commission Order No. R-5391.

Yours very truly,

MAK:JEB

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OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
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NOW, on this 15th day of March, 1977, 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, Texaco Inc., is the owner and operator of the New Mexico "R" State (NCT-2) Well No. 5, located in Unit B of Section 2, Township 18 South, Range 34 East, NMPM, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Lower San Andres formation, with injection into perforated intervals from approximately 5,020 feet to 5,946 feet.

(4) That the injection should be accomplished through 2 1/16-inch plastic lined tubing set at approximately 4090 feet that the casing-tubing annulus should be loaded with a hydraulically balanced column of inert fluid; and that a pressure gauge or approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(5) That the injection well or system should be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 800 psi.

(6) That the operator should notify the supervisor of the Hobbs district office of the Commission 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, provided that such injection does not occur for more than six months.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to utilize its New Mexico "R" State (NCT-2) Well No. 5, located in Unit B of Section 2, Township 18 South, Range 34 East, NMPM. Vacuum Grayburg-San Andres Pool, Lea County, New Mexico, to dispose of produced salt water into the Lower San Andres formation, injection to be accomplished through 2 1/16-inch tubing set at approximately 4,090 feet, with injection into perforated intervals from approximately 5,020 feet to 5,946 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be loaded with a hydraulically balanced column of 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 the injection well or system shall be equipped with a pop-off valve or acceptable substitute which will limit the wellhead pressure on the injection well to no more than 800 psi.

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

(4) That the operator shall immediately notify the supervisor of the Commission's Hobbs 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.

(5) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(6) That injection into the subject well for disposal purposes shall be discontinued within six months after commencement thereof, unless approval for continued injection has been obtained from the offset operator and the Secretary-Director of the Commission.

(7) 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

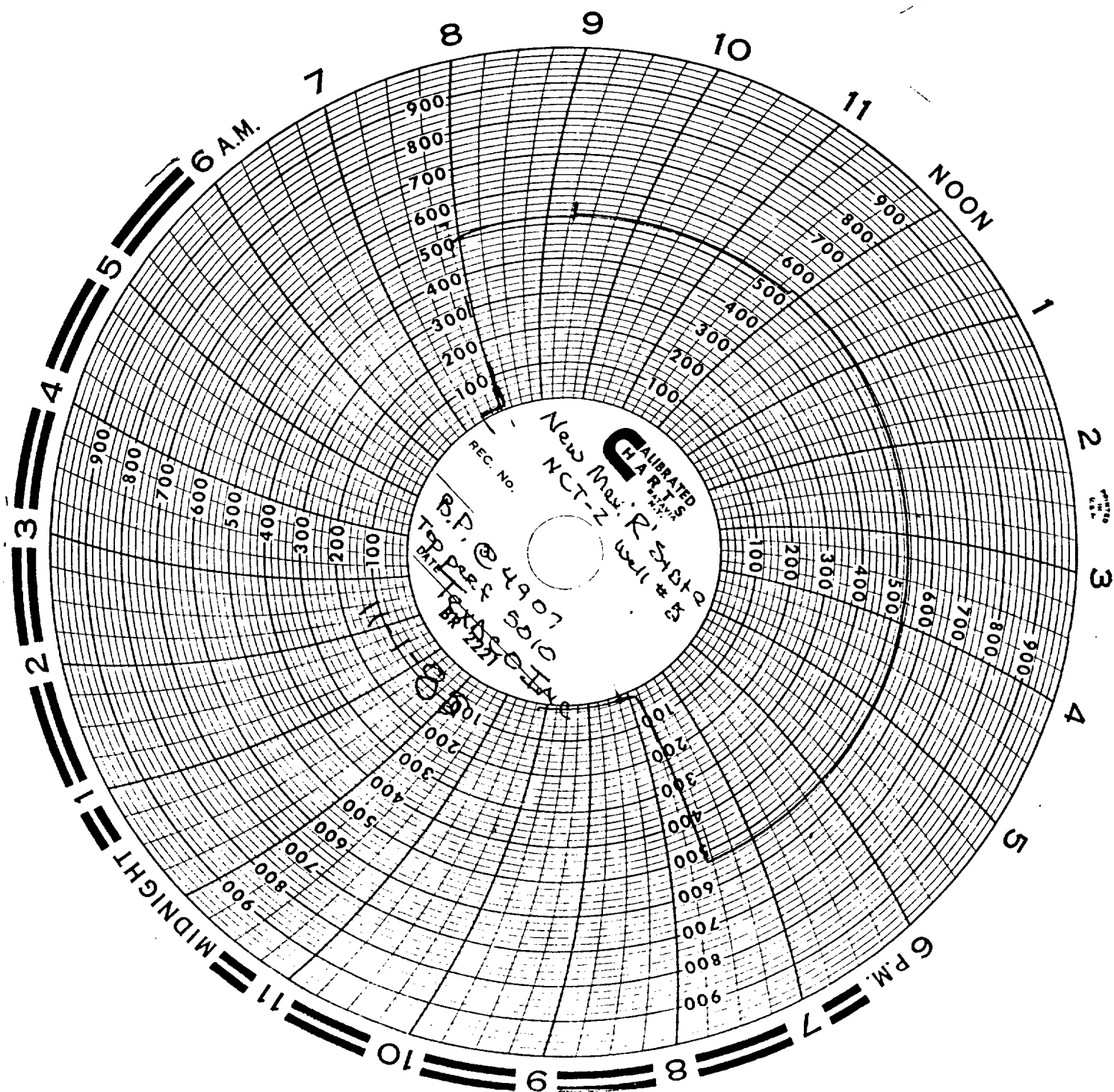
PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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State of New Mexico
Department of Energy & Minerals
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501-2088

RE: WAIVER OF OBJECTION
APPLICATION TO INJECT FLUID INTO A
RESERVOIR PRODUCTIVE OF OIL OR GAS
NEW MEXICO "R" STATE NCT-2 WELL #5
VACUUM GRAYBURG SAN ANDRES FIELD
LEA COUNTY, NEW MEXICO

Gentlemen:

As an authorized representative of the below named Offset Operator,
I have been duly informed by TEXACO Inc. of their application to
inject water into the New Mexico "R" State NCT-2 Well No. 5, and
do hereby waive any objection to the granting of this application.

Yours very truly,

PHILLIPS PETROLEUM COMPANY

By: D. R. Smith

Date: 11-19-85

