



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

June 5, 1935

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SANTA FE, NEW MEXICO 87501
(505) 827-5800

Carmen Orozco
Owner and Operator
P & O Oilfield Services, Inc.
P. O. Drawer S
Jal, New Mexico 88252

Re: CASE NO. 6405
c. ORDER NO. R-7935

Applicant:

P & O Treating Plant

Dear Sir:

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

Sincerely,

B. L. Hunt

R. L. STAMETS
Director

RLS / fd

Copy of order also sent to:

Hobbs OCD	<u>X</u>
Artesia OCD	<u>X</u>
Aztec OCD	

Other _____

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. 8405
Order No. R-7935

APPLICATION OF P & O TREATING PLANT
FOR AN AMENDMENT OF ADMINISTRATIVE
ORDER SWD-272, LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on November 14, 1984, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 4th day of June, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, P & O Treating Plant, is the owner and operator of the Meador "A" Well No. 1, located in Unit G of Section 10, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) Administrative Order SWD-272 dated May, 1984, authorized P & O Treating Plant to utilize the Meador "A" Well No. 1 to dispose of produced salt water into the Delaware formation from a depth of approximately 5406 feet to 5426 feet in said well.

(4) The applicant now proposes to utilize said well to dispose solely Seven Rivers formation waters produced from certain wells as shown on Exhibit "A" attached to this order and to change the injection interval to the Seven Rivers formation at an approximate depth of 3690 feet to 3700 feet.

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Case No. 8405
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(5) Administrative procedures for the approval to dispose of additional produced waters into said well should be established.

(6) The injection wells or injection pressurization system should be so equipped as to limit injection pressure at the wellhead to no more than 250 psi, but the Division Director should have authority to increase said pressure limitation, should circumstances warrant.

(7) The injection should be accomplished through 2 3/8-inch plastic lined tubing in a packer set at approximately 3600 feet; the casing-tubing annulus should be filled with an inert fluid; and 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.

(8) The operator should notify the supervisor of the Division's Hobbs district office of the date and time of the plugging of the Delaware interval and installation of disposal equipment so that the same may be witnessed.

(9) The operator should take all steps necessary to ensure that the injection water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

(10) Approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

(11) Administrative Order SWD-272 should be superseded.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, P & O Treating Plant, is hereby authorized to utilize its Meador "A" Well No. 1, located in Unit G of Section 10, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico, to dispose of produced Seven Rivers water from the wells described on Exhibit "A" to this order, into the Seven Rivers formation; injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 3600 feet, with injection into the interval from approximately 3690 feet to 3700 feet;

PROVIDED HOWEVER, the tubing shall be plastic-lined; the casing-tubing annulus shall be filled with an inert

fluid; and 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) The disposal waters shall be transported directly to said well through a pipeline.

(3) The injection wells herein authorized and/or the injection pressurization system shall be so equipped as to limit injection pressure at the wellhead to no more than 250 psi, provided however, the Division Director may authorize a higher surface injection pressure upon satisfactory showing that such pressure will not result in fracturing of the confining strata.

(4) The operator shall notify the supervisor of the Division's Hobbs District Office of the date and time of the plugging of the Delaware perforations in said well and the installation of disposal equipment so that the same may be witnessed.

(5) The operator shall immediately notify the supervisor of the Division's Hobbs district office of the failure of 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 necessary to correct such failure or leakage.

(6) The Supervisor of the Division's Hobbs District Office shall have the authority to administratively approve the disposal of additional produced waters from other formations into said well, provided that the applicant can demonstrate such additional disposal waters shall not adversely affect the well or endanger fresh waters. Notice of such a request by the applicant shall be mailed to the Santa Fe office of the Oil Conservation Division.

(7) The applicant shall conduct disposal operations and submit monthly reports in accordance with Rules 701 through 708 and 1120 of the Division Rules and Regulations.

(8) Division Administrative Order SWD-272 is hereby superseded.

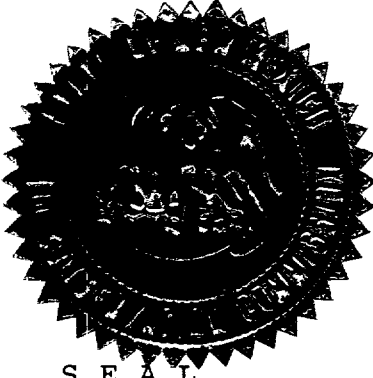
(9) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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Case No. 8405

Order No. R-7935

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



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. Stamets
R. L. STAMETS,
Director

EXHIBIT "A"
CASE NO. 8405
ORDER NO. R-7935

WELLS AUTHORIZED TO DISPOSE PRODUCED WATER
INTO THE MEADOR "A" WELL NO. 1

CONVEST ENERGY CORPORATION

Cities Services Federal Well No. 2
NE/4 SE/4, Sec. 35, T-24S, R-36E,
Lea County, NM

Cities Services Federal Well No. 4
SE/4 SE/4, Sec. 35, T-24S, R-36E,
Lea County, NM

Everett Well No. 2
SE/4 SW/4, Sec. 35, T-24S, R-36E,
Lea County, NM

Everett Well No. 4
SW/4 SW/4, Sec. 35, T-24S, R-36E,
Lea County, NM

Arnett Ramsey State Well No. 1
NE/4 NW/4, Sec. 2, T-25S, R-36E,

Arnett Ramsey State Well No. 2
NW/4 NE/4, Sec. 2, T-25S, R-36E,
Lea County, NM

Arnett Ramsey State Well No. 3
NE/4 NE/4, Sec. 2, T-25S, R-36E,
Lea County, NM

Arnett Ramsey State Well No. 4
NE/4 SE/4, Section 2, T-25S,
R-36E, Lea County, NM

Arnett Ramsey State Well No. 5
SW/4 NE/4, Sec. 2, T-25S, R-36E,
Lea County, NM

TENNECO OIL COMPANY

E. J. Wells No. 1
SE/4 NW/4, Sec. 12, T-25S,
R-36E, Lea County, NM

E. J. Wells No. 3
SW/4 NW/4, Sec. 12, T-25S,
R-36E, Lea County, NM

WORLDWIDE ENERGY CORPORATION

E. J. Wells No. 3
SE/4 NE/4, Sec. 12, T-25S,
R-36E, Lea County, NM

DOYLE HARTMAN

Etz Well No. 1
NW/4 NW/4, Sec. 7, T-25S,
R-37E, Lea County, NM

Etz Well No. 2
SW/4 NW/4, Sec. 7, T-25S,
R-37E, Lea County, NM

Etz Well No. 3
SW/4 NW/4, Sec. 7, T-25S,
R-27E, Lea County, NM

Etz Well No. 4
NW/4 NW/4, Sec. 7, T-25S,
R-37E, Lea County, NM