

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. 8493
Order No. R-7846

APPLICATION OF J. M. HUBER
CORPORATION FOR SALT WATER
DISPOSAL, LEA COUNTY, NEW
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on February 27, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 8th day of March, 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, J. M. Huber Corporation, is the owner and operator of the Cabot "Q" State Well No. 1, located 1980 feet from the South line and 560 feet from the West line of Section 7, Township 15 South, Range 35 East, NMPM, Lea County, New Mexico.

(3) The applicant proposes to utilize said well to dispose of produced salt water into the San Andres formation, with initial injection to be into selected perforated intervals between 5839 feet and 6050 feet, and possible additional perforations within the overall interval from 4630 feet to 5839 feet.

(4) The injection should be accomplished through 2 7/8-inch plastic-lined tubing installed in a packer; the packer should be set at approximately 5800 feet if the perforations

are confined to the above-described interval from 5839 feet to 6050 feet, but the packer should be set as near as is practicable above the uppermost perforation if additional perforations are made in the interval from 4630 feet to 5839 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.

(5) Prior to commencing injection operations, the casing in the well should be pressure tested throughout the interval from the surface down to the proposed packer setting depths to assure the integrity of such casing.

(6) 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; if the perforations are confined to the 5839-6050 foot interval described in Finding Paragraph No. (3) above, the wellhead pressure limitation should be 1168 psi, but if additional perforations are opened up in the 4630-5839 foot interval, the maximum wellhead pressure injection pressure should be limited to an amount equal to 0.2 psi times the depth in feet to the uppermost injection perforation.

(7) The Director of the Division should be authorized to administratively approve an increase in the injection pressure upon a proper showing by the operator that such higher pressure will not result in migration of the injected waters from the San Andres formation.

(8) Prior to beginning work to convert the well to salt water disposal, the operator should obtain approval of the plugback of said well to the base of the San Andres formation from the Supervisor of the Division's district office at Hobbs.

(9) 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 same may be inspected.

(10) 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.

(11) Should the operator utilize perforations in the subject well above 5839 feet, it should notify the Division Director by memorandum to Case File No. 8493 and should also notify the supervisor of the Hobbs district office of the Division by filing Division Form C-103 and obtain his approval prior to making such perforations.

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

IT IS THEREFORE ORDERED THAT:

(1) The applicant, J. M. Huber Corporation, is hereby authorized to utilize its Cabot "Q" State Well No. 1, located 1980 feet from the South line and 560 feet from the West line of Section 7, Township 15 South, Range 35 East, NMPM, Lea County, New Mexico, to dispose of produced salt water into the San Andres formation, injection to be accomplished through 2 7/8-inch tubing installed in a packer set at approximately 5800 feet, with injection into the perforated interval from approximately 5939 feet to 6050 feet;

PROVIDED HOWEVER THAT, 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.

PROVIDED FURTHER THAT, prior to beginning work to convert the well to salt water disposal, the operator shall obtain approval of the plugback of the well to the base of the San Andres formation from the supervisor of the Division's district office at Hobbs.

PROVIDED FURTHER THAT, prior to commencing injection operations, the casing in the well shall be pressure-tested to assure the integrity of such casing in a manner that is satisfactory to the supervisor of the Division's district office at Hobbs.

(2) 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 1168 psi.

(3) The operator is further authorized to open additional perforations in the San Andres formation in said well

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in the interval from 4630 feet to 5839 feet, provided however, should such additional perforations be deemed necessary, the operator shall first obtain approval for same from the supervisor of the Division's Hobbs district office on Division Form C-103 and, upon completion of such additional perforations, shall notify the Division Director by memorandum to Case File No. 8493, and provided further, that should such additional perforations be made, the tubing shall be installed in a packer set as near as practicable to the uppermost injection perforation, and the pressure limiting equipment described in Ordering Paragraph No. (3) above shall be so set as to limit the wellhead injection pressure to no more than 0.2 psi times the depth in feet to the uppermost injection perforation.

(4) The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the San Andres formation.

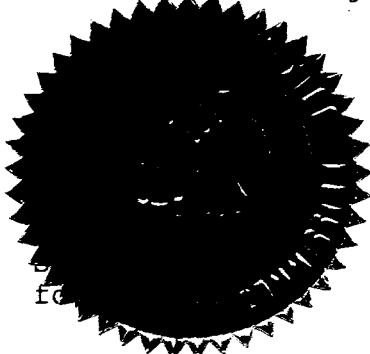
(5) The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of installation of disposal equipment so that the same may be inspected.

(6) The operator shall immediately notify the supervisor of the Division'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.

(7) The applicant shall conduct disposal operations and submit monthly reports in accordance with Rules 702, 703, 704, 705, 706, 708, and 1120 of the Division Rules and Regulations.

(8) 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 hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. Stamets
R. L. STAMETS
Director