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. 8248 Order No. R-6943-B

APPLICATION OF CONSOLIDATED OIL & GAS INC. FOR AMENDMENT OF DIVISION ORDER NO. R-6943-A, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on July 11, 1984, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this $27 \pm h$ day of July, 1984, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That applicant, Consolidated Oil & Gas, Inc., seeks the amendment of Division Order No. R-6943-A which authorized the Midway State Well No. 1, located 330 feet from the South line and 330 feet from the East line of Section 8, Township 17 South, Range 37 East, Lea County, New Mexico, to dispose of produced salt water into the Glorieta formation and provided, in part, that four Midway Abo producing wells, all within a 1/2 mile radius of the SWD well and which were not adequately cemented through the injection interval, be re-cemented across the injection interval in a manner acceptable to the Division.
- (3) Applicant now requests that the stipulation to have these four wells properly cemented be amended to provide instead for close monitoring of these well bores.
- (4) That the purpose of the requirement to re-cement said wells is to assure that the uncemented annular space between the hole and the casing in each or any of said wells would not serve as a conduit for fluid movement out of the authorized injection interval.

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- That the applicant attempted to demonstrate that its proposed monitoring would reveal the movement of water, resulting from the proposed salt water disposal, up, down, or past the bores of said four wells.
- That the evidence did not demonstrate that the proposed monitoring plan could be effectively administered or monitored by the Division on a continuing basis.
- That to assure that the proposed injection fluid or that any fluids native to the injection interval cannot migrate to other zones in the annuli of said four wells, and to assure that such fluids not pose an increased threat to fresh water, the application should be denied.

IT IS THEREFORE ORDERED:

- (1) That the application of Consolidated Oil and Gas, Inc., for amendment of Division Order No. R-6943-A is hereby denied.
- That 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 designated.

STATE OF NEW MEXICO

OLL CONSERVATION DIVISION

JOE D. RAMEY,

Director