

IT IS THEREFORE ORDERED: R-4316 5-31-72

(1) That the applicant, Blackrock Oil Company, is hereby authorized to complete its Bates McIntyre Federal Well No. 1 at an unorthodox location 1980 feet from the North line and 660 feet from the East line of Section 9, Township 6 South, Range 27 East, NMPM, Chaves County, New Mexico, as a dual completion to produce gas from the Haystack-Cisco Gas Pool through 2 3/8-inch tubing and to dispose of produced salt water down the annulus between 5 1/2-inch production casing string and the 8 5/8-inch intermediate casing string into the San Andres and other formations in the open-hole interval from approximately 1186 feet to 4389 feet;

PROVIDED HOWEVER, that the produced salt water shall be continuously treated prior to injection to prevent casing corrosion; that coupon corrosion tests shall be conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission;

PROVIDED FURTHER, that the applicant shall submit monthly reports of his disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(2) 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.

30-005-60199