

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

BAGLEY SWD WELL # 4

CASE NO. 5338
Order No. R-4891

APPLICATION OF AMERADA HESS CORPORATION
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 October 16, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of October, 1974, 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, Amerada Hess Corporation, is the owner and operator of the State BTC Well No. 1, located in Unit N of Section 35, Township 11 South, Range 33 East, NMPM, Bagley Siluro-Devonian Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Devonian formation, with injection into the open-hole interval below the producing horizon in the Bagley Siluro-Devonian Pool from approximately 10,980 feet to 11,180 feet.

(4) That the injection should be accomplished through 4 1/2-inch plastic-lined tubing installed in a packer set at approximately 8000 feet and that the casing-tubing annulus should be filled with an inert fluid.

(5) That in order to detect leakage in the casing, tubing, or packer, semi-annual pressure tests should be taken on the casing-tubing annulus in said well with the Hobbs district office of the Commission being advised of the date and time of such tests.

XC: JOHNSON - CALHOUN
WILKES
GIB MILLER - TULSA.

(6) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amerada Hess Corporation, is hereby authorized to utilize its State BTC Well No. 1, located in Unit N of Section 35, Township 11 South, Range 33 East, NMPM, Bagley Siluro-Devonian Pool, Lea County, New Mexico, to dispose of produced salt water into the Devonian formation, injection to be accomplished through 4 1/2-inch tubing installed in a packer set at approximately 8000 feet, with injection into the open-hole interval from approximately 10,980 feet to 11,180 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; that a pressure gauge shall be attached to the annulus or the annulus left open at the surface in order to determine leakage in the casing, tubing, or packer; and that the operator shall conduct semi-annual pressure tests on the casing-tubing annulus advising the Hobbs district office of the Commission of the date and time of such tests in order that they may be witnessed.

(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations showing in addition, thereon, the date and results of the last semi-annual pressure test.

(3) 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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

ALEX J. ARMSTRONG, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

jr/