FAX NO. 15053930720

-2-CASE NO. 4019 Order No. R-3660

be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Sinclair Oil Corporation, is hereby authorized to utilize its Mescalero Ridge Unit Well No. 2, located in Unit B of Section 28, Township 19 South, Range 34 East, NAPH, Quail Ridge-Yates Pool, Lea County, New Mexico, to inject produced salt water into the Yates formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 3850 feet, with injection into the perforated interval from approximately 3860 feet to 4050 feet;

<u>PROVIDED HOWEVER</u>, that the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(2) That the applicant shall submit monthly reports of its injection operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(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 hereinabove dosignated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

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