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STATE OF NEW ME: O ENERGY AND MINERALS DE ALTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING. CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 7424 Order No. R-6855

APPLICATION OF RICE ENGINEERING AND OPERATING, INC., FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

OPDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 19, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 18th day of December, 1981, 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 the applicant, Rice Engineering and Operating, Inc., is the owner and operator of the Dunice-Monument Eumont SWD "G" Well No. 8, located in Unit G of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the Lower San Andres formation, with injection into the perforated interval from approximately 4300 feet to 4852 feet.
- (4) That the injection should be accomplished through 5 1/2-inch plastic lined tubing under an oil blanket; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge or approved leak detection device should be attached to the annulus in order to determine leakage in the casing or tubing.