

NEW MEXICO LNERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

in wa

ADMINISTRATIVE ORDER SWD-746

APPLICATION OF SOUTHWEST ROYALTIES, INC. FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Southwest Royalties, Inc. made application to the New Mexico Oil Conservation Division on May 7, 1999, for permission to complete for salt water disposal its Cities Federal Well No.2 located 660 feet from the South line and 660 feet from the West line (Unit M) of Section 20, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

(1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;

(2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;

(3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and

(4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

The applicant herein, is hereby authorized to complete its Cities Federal Well No.2 located 660 feet from the South line and 660 feet from the West line (Unit M) of Section 20, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, in such manner as to permit the injection of salt water for disposal purposes into the Seven Rivers and Queen formations at approximately 3,492 feet to approximately 3,860 through 2 3/8-inch plastic-lined tubing set in a packer located at approximately 3,450 feet.