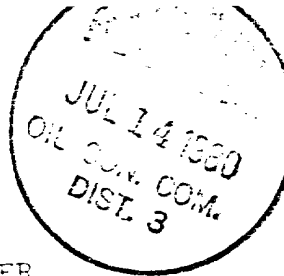


APPLICATION OF TESORO PETROLEUM CORPORATION TO EXPAND ITS WATER FLOOD PROJECT IN THE HOSPAH UPPER SAND OIL POOL IN MCKINLEY COUNTY, NEW MEXICO



ORDER WFX NO. 485

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-2807 B, Tesoro Petroleum Corporation has made application to the Division on June 23, 1980, for permission to expand its Hospah Upper Sand Waterflood Project in the Hospah Upper Sand Pool in McKinley County, New Mexico.

NOW, on this 1st day of July, 1980, the Division Director finds:

1. That application has been filed in due form.
2. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-2807 B.
3. That the proposed expansion of the above referenced water flood project will not cause waste nor impair correlative rights.
4. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Tesoro Petroleum Corporation, be and the same is hereby authorized to inject water into the Hospah Upper Sand formations through plastic-lined tubing set in a packer at approximately 1760 feet in the following described well for purposes of secondary recovery, to wit:

→ Hospah Sand Unit Well #90 in Unit J of Section 36, Township 18 North, Range 9 West, NMPM, McKinley County, New Mexico, and through plastic-lined tubing set in a packer at approximately 1690' in the following described well for purposes of secondary recovery, to wit;

Hospah Sand Unit Well #91 in Unit K of Section 36, Township 18 North, Range 9 West, NMPM, McKinley County, New Mexico, and through plastic-lined tubing set in a packer at approximately 1580' in the following described well for purposes of secondary recovery to wit;

Hospah Sand Unit #92 in Unit O of Section 36, Township 18 North, Range 9 West, NMPM, McKinley County, New Mexico, and through plastic-lined tubing set in a packer at approximately 1530' in the following described well for purposes of secondary recovery, to wit;

Hospah Sand Unit Well #93 in Unit C of Section 1, Township 17 North, Range 9 West, NMPM, McKinley County, New Mexico, and through plastic lined tubing set in a packer at approximately 1500' in the following described well for purposes of secondary recovery to wit;

Hospah Sand Unit Well #94 in Unit K of  
Section 1, Township 17 North, Range 9  
West, NMPM, McKinley County, New Mexico.

That the operator shall properly plug Hospah Sand Unit Well No. 31 in Unit M of Section 36, Township 18 North, Range 9 West, NMPM, McKinley County, New Mexico, such as to prevent the migration or escape of injected fluids from the Hospah Upper Sand. Such procedures shall be done prior to commencement of injection.

That the operator should notify the supervisor of the Aztec district office to approve and witness plugging procedure.

IT IS FURTHER ORDERED:

That the operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

That the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

That the injection well or system shall be equipped with a pop-off valve or device which will limit the wellhead pressure to a maximum of 300 pounds per square inch; provided however, that the Division Director may administratively authorize a pressure limitation in excess of the above upon the operator's establishing that such higher pressure will not result in fracturing of confining strata.

That the operator shall notify the supervisor of Division's Aztec District Office before injection is commenced through said well;

That the operator shall immediately notify the Supervisor of the Division's Aztec District Office of the failure of the tubing, casing, or packer in said well or the leakage of water from or around said well and shall take such steps as may be timely or necessary to correct such failure of leakage.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

JOE D. RAMEY  
Division Director