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AFFLICATION OF TESORO PETROLEUM CIRCURATION TO EXPAND ITS WATER FLOID FROJECT IN THE HOSPAH UPPER SANT OIL POOL IN MCKINLEY COUNTY, NEW MEXICO

ORDER WEX NO.

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ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

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

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

- . That application has been filed in due form.
- 2. That the proposed injection well is eligible for ecoversion to water injection under the terms of Order No. R-2807 E.
- 3. That the proposed expansion of the above referenceda 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 an the same is hereby authorized to inject water into the Hospan Urger Sand formations through plastic-lined tubing set in a pa at approximately 1760 feet in the following described well for purposes of secondary recovery...to wit:

Hospan Sand Unit Well so in Unit McKinley

County, New Mexico, and through plastic-lined tubing of set in a packer at approximately 1690' in the following doscribed well for purposes of secondary recovery, to wit;

Hospah Sand Unit Well of 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 or 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 -98 in Unit C of Section 1, Towns 17 North, Range 9 West, EMPM, McKinley County, New McKi and through plastic lined tubing set in a packer at approximately 1500' in the following described well for jurposes of secondary recovery, to wit:

Hospith Sand Unit Well er in Unit E of Section 1, Township 17 North, Hange 9 West, NMPM, McKinley County, New Mexico.

That the operator shall properly plup Hospah Sand Unit Well No. Il in Unit M of Section 36, Township 18 North, Range 9 West, NMPM, McKinley County, New Mexico, such as to prevent 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 Aziec district office to approve and witness plugging procedum

IT IS FURTHER ORDERED:

That the operator shall take all steps necessary to consure that the injected water enters only the proposed injectinterval 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 equi; ped with a pressure gauge at the surface or left ejen to the atmosphere to facilitate detection of lea 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 pression a maximum of the pressure limit the Fivision Director may administratively authorize a pressure limitation in excess of the above upon the operator 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 commence, through said well;

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

 ${\tt DCMF}$ at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JOE D. DAMEY - Division Director

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