



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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1-17N-9W

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APPLICATION OF TESORO PETROLEUM CORPORATION
TO EXPAND ITS POLYMER AUGMENTED WATERFLOOD
PROJECT IN THE SOUTH HOSPAH LOWER SAND OIL POOL
IN MCKINLEY COUNTY, NEW MEXICO

RECEIVED

OCT 29 1984

ORDER No. WFX-532
(TERTIARY PROJECT)

OIL CON. DIV.
DIST. 3

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-4558-A has made application to the Division on September 4, 1984, for permission to expand its Tesoro Oower Hospah Polymer Augmented Waterflood Project in the South Hospah Lower Sand Oil Pool in McKinley County, New Mexico.

NOW, on this 25th day of October, 1984, the Division Director finds:

1. That application has been filed in due form.
2. That satisfactory information has been provided that all offset operators have been duly notified of the application.
3. That no objection has been received within the waiting period as prescribed by Rule 701B.
4. That the proposed injection well is eligible for conversion to water injection under the terms of Rule 701.
5. That the proposed expansion of the above referenced Polymer Augmented Waterflood project will not cause waste nor impair correlative rights.
6. 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 Lower Hospah formation through plastic-lined tubing set in a packer at a maximum of 100 feet above the proposed injection interval in the following described well for purposes of Polymer Augmented Waterflooding to wit:

Hanson Well No. 43
1260' FSL and 100' FWL of Sec. 6, T-17-N, R-8-W,
McKinley County, New Mexico

Hanson Well No. 44
330' FSL and 1980' FWL of Sec. 6, T-17-N, R-8-W,
McKinley County, New Mexico

Santa Fe RR Well No. 51
550' FNL and 1480' FWL of Sec. 7, T-17-N, R-8-W,
McKinley County, New Mexico

Santa Fe RR "A" Well No. 97
240' FSL and 1655' FEL of Sec. 1, T-17-N, R-9-W,
McKinley County, New Mexico

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 (in each well) 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 pressure limiting device which will limit the wellhead pressure on the injection well to no more than 320 psi.

That the Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Lower Hospah formation. That such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

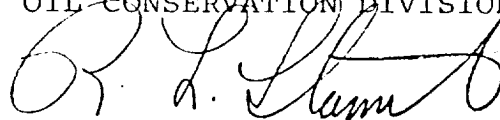
That the operator shall notify the supervisor of the Division's Aztec District Office before injection is commenced through said wells.

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 wells or the leakage of water from or around said wells and shall take such steps as may be timely or necessary to correct such failure or leakage.

That the subject wells shall be governed by all provisions of Division Order No. R-4558-A and Rules 702, 703, 704, 705, and 706 not inconsistent herewith.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "R. L. Stamets", is written over the printed name.

R. L. STAMETS,
Acting Director

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