



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

March 29, 1984

APPLICATION OF GEO ENGINEERING, INC.
TO EXPAND ITS WATERFLOOD PROJECT
IN THE CHACO WASH MESA VERDE POOL IN
MCKINLEY COUNTY, NEW MEXICO

ORDER No. WFX-525

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-6538 has made application to the Division on February 29, 1984 for permission to expand its Chaco Wash Mesaverde Waterflood Project in the Chaco Wash Mesaverde Pool in McKinley County, New Mexico.

NOW, on this _____ day of March, 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 waterflood project will not cause waste nor impair correlative rights.
6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Geo Engineering, Inc., be and the same is hereby authorized to inject water into the Menefee

formation through plastic-lined tubing set in a packer at approximately 30 feet above the uppermost perforations in the following described wells for purposes of waterflood to wit:

Chaco Wash Mesaverde Well No. 7
660' FNL and 990' FEL, Sec. 28,
T-20N, R-9W, McKinley County, NM,
Maximum Surface Injection Pressure Limit - 66 psi

Chaco Wash Mesaverde Well No. 11
330' FNL and 660' FEL, Sec. 28,
T-20N, R-9W, McKinley County, NM,
Maximum Surface Injection Pressure Limit - 61 psi

Chaco Wash Mesaverde Well No. 12
990' FNL and 660' FEL, Sec. 28,
T-20N, R-9W, McKinley County, NM,
Maximum Surface Injection Pressure Limit - 65 psi

Chaco Wash Mesaverde Well No. 19
500' FNL and 660' FEL, Sec. 21,
T-20N, R-9W, McKinley County, NM,
Maximum Surface Injection Pressure Limit - 61 psi

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 wells or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 0.2 psi/ft. depth of the highest perforations.

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

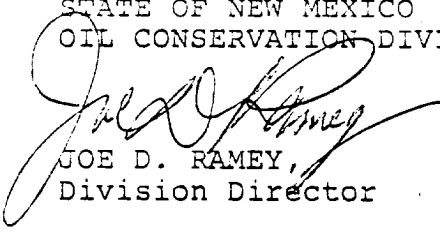
That the operator shall notify the supervisor of the Division's Aztec District Office before injection is commenced through said wells.

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-6538 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



JOE D. RAMEY,
Division Director

S E A L