



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

May 8, 2001

Walsh Engineering & Production Corporation
7415 East Main
Farmington, New Mexico 87402

Attn: Mr. Paul Thompson

**RE: Injection Pressure Increase,
Basin Disposal Inc.
Disposal Well No. 1
API No. 30-045-26862
San Juan County, New Mexico**



Dear Mr. Thompson:

Reference is made to your request dated April 1, 2001 on behalf of Basin Disposal, Inc. to increase the surface injection pressure on the above referenced well. This request is based on data obtained from a step rate test conducted on April 1, 2001. The results of the test have been reviewed by my staff and we feel an increase in injection pressure on this well is justified at this time.

You are therefore authorized to increase the surface injection pressure on the following well:

<i>Well and Location</i>	<i>Maximum Surface Injection Pressure</i>
Basin Disposal Inc.—Disposal Well No. 1	1600 PSIG
Located in Section 3, Township 29 North, Range 11 West, San Juan County, New Mexico.	

The Division Director may rescind this injection pressure increase if it becomes apparent that the injected water is not being confined to the injection zone or is endangering any fresh water aquifers.



LTR



Job separation sheet

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT I
P.O. Drawer DD, Artesia, NM 88210

DISTRICT I
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, New Mexico 87505

WELL API NO.

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well:
OIL ☐ GAS ☐
WELL ☐ WELL ☐ OTHER ☒ Salt Water Disposal

2. Name of Operator
Basin Disposal

3. Address of Operator
c/o Walsh Engineering, 7415 East Main Street, Farmington, NM 87402

4. Well Location
Unit Letter *F* : *2207* Feet From The *North* Line and *1870'* Feet From The *West* Line
Section *3* Township *29N* Range *11W* NMPM County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
5722' KB

7. Lease Name or Unit Agreement Name

Disposal

8. Well No.
#1

9. Pool name or Wildcat
Undesignated Mesa Verde

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

11. NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: *See Below* ☒

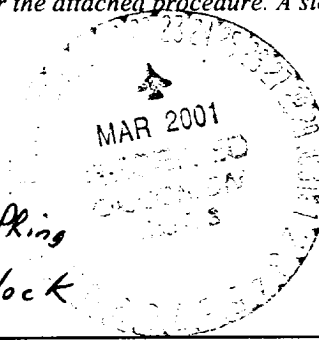
SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG & ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: *See Below* ☒

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work).
SEE RULE 1103.

Basin Disposal proposes to change the 2-7/8" tubing to 3-1/2" tubing as per the attached procedure. A step - rate injection test will be run when the new tubing is installed.

*mit use chart recorded 1000' MAX Spring
2 hour MAX clock*



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE *Paul C. Thompson*
TYPE OR PRINT NAME *Paul C. Thompson*

TITLE *Agent/Engineer*

DATE *03/22/01*

TELEPHONE NO. *327-4892*

(This space for State Use)

APPROVED BY

DEPUTY OIL & GAS INSPECTOR, STATE OF NM

DATE

CONDITIONS OF APPROVAL, IF ANY:

Walsh Engineering and Production

Workover Procedure for Basin Disposal Basin Disposal #1

Location: NW/4 Sec 3 T29N R11W
San Juan County, NM

Date: March 21, 2001

Field: Undesignated Mesa Verde
Surface: Fee
Minerals: Fee

Elev: GL 5710' KB 12'
5-1/2" @ 3913'
PBSD 3836'

Procedure:

1. MOL and RU completion rig. Hold safety meeting.
2. Rig up Cobra Slickline and run Model DD plug in 2-7/8" tubing. Set plug as close to the packer as possible. Halliburton Type R packer is set at 3606' KB. Bleed the pressure from the tubing to be sure the plug is set.
3. ND the tubing head. Pull the 2-7/8" up and remove the slips without releasing the packer. NU the BOP.
4. NU Cudd rig assisted snubbing unit to the top of the rig BOP. Pressure test the unit. Release the Model "R" packer by setting down and turning ¼ turn to the left, then pulling straight up. Packer was set with 10,000 tension. Snub out of the hole with 113 joints (3594.16') of 2-7/8" plastic lined tubing, Model "R" packer (4.08') and a tubing sub (3.52'). Stand the 2-7/8" tubing back in the derrick.
5. Snub in the hole with a 5-1/2" retrievable bridge plug and set at +/- 3000'. Release off from the RBP and bleed off the casing pressure. TOH and lay down the 2-7/8" tubing.
6. ND Cudd snubbing unit and rig BOP. Remove the tubing head. Remove the cap and packing from the 9-5/8" bradenhead. Pick up a 5-1/2" casing spear and catch the 5-1/2" casing. Pull on the 5-1/2" casing and remove the 5-1/2" casing slips. Remove the bradenhead.
7. Install new flanged bradenhead and tubing head. NU rig BOP and Cudd snubbing unit. Change rams in the BOP to 3-1/2".
8. Pick up the retrieving head on 3-1/2" tubing and snub in the hole. Release the RBP and snub out, standing the 3-1/2" tubing in the derrick.

9. Snub in the hole with a 5-1/2" Halliburton Model "G-6" packer with a 2.31" tubing plug in the Type "XL" On - Off tool on 3-1/2" tubing. The packer should be set within 50' of the top perf which is at 3652' KB. J off of the packer and circulate packer fluid and corrosion inhibitor in the casing annulus. Latch on to the packer and land the donut.
10. ND Cudd and the rig BOP. NU the wellhead. Retrieve the tubing plug with Cobra's slickline. Rig down and release the rig.
↑
Conduct MIT
11. Pressure test the annulus to 750 psi. Run a bottom hole pressure gauge to 3650' and perform a step rate injection test as per NMOCD rules. Return well to service.

Paul C. Thompson

Paul C. Thompson, P.E.

Guidelines for conducting step-rate tests

The operator must submit a written procedure and rig-up diagram to the OCD at least 24 hours before starting the test. The procedure will contain the following information:

- A description of the mechanical configuration of the well.**
- The history of injection pressures and volumes.**
- The history of any fracture treatments and pressures especially ISIP.**

A bottom hole pressure recorder will be required for wells deeper than 2000' and injection rates greater than 1 BPM.

A pressure gauge and recorder of the appropriate range will be used during the test.

Wells currently injecting must be shut-in at least 24 hours before the test unless the shut-in pressures indicate that the well has not adequately stabilized and a longer time is necessary.

Starting pump rates and pressures must be lower than the current rates and pressures if the well is currently injecting and there must be at least 3 steps below the .2psi/ft gradient and 3 steps above the breakover point.

Pumping equipment must be able to pump at the rates and pressures needed for the test.

Rate changes will be .5bpm or smaller unless the OCD witness determines that bigger rate changes are necessary due to small incremental increases in pressure.

Each step will be at least 15 minutes in duration unless otherwise determined by the OCD. Step duration must not be changed during the test.

The operator must have enough water on hand for the test.

The casing and bradenhead pressures will be monitored during the test.

All wellhead equipment must be rated for the anticipated pressures.