Form 3160-5

## LIMITED STATES

OCD Hobbs
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FORM APPROVED

(August 2007)		EPARTMENT OF THE II	NTERIOR	OCD Hobbs		O. 1004-0135 July 31, 2010	
	SUNDRY	UREAU OF LAND MANA NOTICES AND REPO	RTS ON WELLS		5. Lease Serial No. NMLC068281B		
	Do not use th abandoned we	6. If Indian, Allottee or Tribe Name					
	SUBMIT IN TRI	7. If Unit or CA/Agreement, Name and/or No.					
1. Type of Well  Oil Well	☐ Gas Well 🏖 Otl	8. Well Name and No. BUCK FEDERAL 17 SWD 1					
2. Name of Operator Contact: RHONDA ROGERS CONOCOPHILLIPS COMPANY E-Mail: rogerrs@conocophillips.com					9. API Well No. 30-025-40482-00-S1		
3a. Address 3300 N "A" S MIDLAND, T	X 79705				10. Field and Pool, or SWD	0. Field and Pool, or Exploratory SWD	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)					11. County or Parish, and State		
Sec 17 T26S R32E SENW 2284FNL 1950FWL					LEA COUNTY, NM		
12	2. CHECK APPI	ROPRIATE BOX(ES) TO	) INDICATE NATURI	E OF NOTICE, R	L REPORT, OR OTHE	R DATA	
TYPE OF S	TYPE OF SUBMISSION TYPE OF ACTION						
	_	☐ Acidize	□ Deepen	☐ Produc	☐ Production (Start/Resume) ☐ Water SI		
☐ Notice of Intent		☐ Alter Casing	☐ Fracture Treat	☐ Reclan		☐ Well Integrity	
Subsequent Report		☐ Casing Repair	■ New Construct	ion 🗖 Recom	plete	Other	
☐ Final Abandonment Notice		☐ Change Plans			orarily Abandon		
		☐ Convert to Injection ☐ Plug Back ☑ W		Water	Water Disposal.		
If the proposal in Attach the Bond following computesting has been	is to deepen direction d under which the wo detion of the involved	eration (clearly state all pertiner ally or recomplete horizontally, rk will be performed or provide I operations. If the operation re- bandonment Notices shall be file inal inspection.)	give subsurface locations and the Bond No. on file with Bloults in a multiple completion	d measured and true v LM/BIA. Required so n or recompletion in a including reclamation	vertical depths of all pertirubsequent reports shall be new interval, a Form 316	filed within 30 days 60-4 shall be filed once	
ConocoPhilli	ps is submitting t	he revised Administrative		<del></del>	220	OKD/	
Attached is a copy of revised order.  HOBBS OCD							
					TED FOIL	N	
determined that the site is ready for final inspection.)  ConocoPhillips is submitting the revised Administrative Order SWD-1316-B.  Attached is a copy of revised order.  HOBBS OCD  MAR 2 2 2013  RECEIVED  MAR 2 1 2013  RECEIVED							
		· R	ECEIVED		MAR TO THE RUPE CARLS BAD FILE	MAN GEMENY 100 FICE	
14. I hereby certify	y that the foregoing is	true and correct. Electronic Submission #2	201880 verified by the Bi	M Wall Informatio			
	Co		PHILLIPS COMPÁNY, se	ent to the Hobbs	•		
			l				

Name(Printed/Typed) RHONDA ROGERS STAFF REGULATORY TECHNICIAN (Electronic Submission) Signature Date 03/19/2013 THIS SPACE FOR FEDERAL OR STATE OFFICE USE (BLM Approver Not Specified) Date 03/21/2013 Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office Hobbs

Title 18 U.S.C. Section 1001 and Title 43 U.S.Q. Section 212, make it a crime fee any person knowingly and willfully to make to any department or agency of the United States any false, fictitions or fraudulem statements or representations feed by matter within its jurisdiction.

# State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

John Bemis Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey
Division Director
Oil Conservation Division



Administrative Order SWD-1316-B March 17, 2013

## ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of 19.15.26.8B NMAC, ConocoPhillips Company seeks an administrative order to utilize its Buck 17 Federal SWD Well No. 1 (API 30-025-40482) located 2284 feet from the North line and 1950 feet from the West line, Unit letter F of Section 17, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, for produced water disposal purposes.

#### THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of 19.15.26.8B NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections have been received within the prescribed waiting period. The applicant has presented satisfactory evidence that all requirements prescribed in 19.15.26.8 NMAC have been met and the operator is in compliance with 19.15.5.9 NMAC.

#### IT IS THEREFORE ORDERED THAT:

The applicant, ConocoPhillips Company, is hereby authorized to utilize its Buck 17 Federal SWD Well No. 1 (API 30-025-40482) located 2284 feet from the North line and 1950 feet from the West line, Unit letter F of Section 17, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, for disposal of oil field produced water (UIC Class II only) into the Cherry Canyon member of the Delaware Mountain Group through a perforated interval from 5410 feet to 5932 feet through internally coated tubing and a packer set within 100 feet of the permitted interval.

### IT IS FURTHER ORDERED THAT:

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

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

Administrative Order SWD-1316-B ConocoPhillips Company March 17, 2013 Page 2 of 3

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing disposal and prior to resuming disposal each time the disposal packer is unseated. All MIT testing procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

The wellhead injection pressure on the well shall be limited to **no more than 1082 psi**. In addition, the disposal well or system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressure to the maximum allowable pressure for this well.

The Director of the Division may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the disposed fluid from the target formation. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate-Test.

The operator shall notify the supervisor of the Division's district office of the date and time of the installation of disposal equipment and of any MIT test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of disposal to the Division's district office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Division Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the Division's district office of any failure of the tubing, casing or packer in the well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

The injection authority granted under this order is not transferable except upon division approval. The division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

The division may revoke this injection permit after notice and hearing if the operator is in violation of 19.15.5.9 NMAC.

The disposal authority granted herein shall terminate two years after the effective date of this order if the operator has not commenced injection operations into the subject well. One year after the last date of reported disposal into this well, the Division shall consider the well abandoned, and the authority to dispose will terminate *ipso facto*. The Division, upon written request mailed by the operator prior to the termination date, may grant an extension thereof for good cause.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

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Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.

JAMI BAILEY

Director

JB/wvjj

cc: Oil Conservation Division – Hobbs

Bureau of Land Management - Carlsbad Field Office