

Entered March 8, 1978

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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 6163
Order No. R-3863-A

APPLICATION OF CONTINENTAL OIL COMPANY
FOR AMENDMENT OF COMMISSION ORDER NO.
R-3863, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 22, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 8th day of March, 1978, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That Commission Order No. R-3863 entered on October 28, 1969, authorized a waterflood project in the Anderson Ranch Unit Area, Anderson Ranch-Wolfcamp Pool, Lea County, New Mexico.

(3) That said project was designated the Continental Anderson Ranch Wolfcamp Waterflood Project.

(4) That injection was never initiated in said project.

(5) That the applicant, Continental Oil Company, seeks to substitute its Anderson Ranch Unit Wells No. 6 located in Unit X of Section 2, and Nos. 3 and 10, located in Units A and H, respectively, of Section 11, all in Township 16 South, Range 32 East, for the initial injection wells authorized by said order in said project.

(6) That such substitution will permit the more efficient operation of said project.

(7) That injection into each of said wells should be through internally coated tubing set in a packer to be located as close as practicable to the uppermost casing perforation and well below the top of the cement protecting such casing.

(8) That the casing-tubing annulus in each injection well should be filled with an inert fluid, and that a pressure gauge or approved leak detection device should be attached to the annulus or the annulus should be left open in order to determine leakage in the casing, tubing, or packer.

(9) That the injection wells or system should be equipped with a pressure-limiting switch or other acceptable device which will limit the surface injection pressure to no more than 1940 pounds unless the Secretary-Director of the Commission should administratively authorize a higher pressure.

(10) That the wells within the project should be equipped to facilitate periodic testing of the annular space between strings of production and surface casing.

(11) That the operator should take all other 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 from injection, producing, or plugged and abandoned wells.

(12) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to substitute its Anderson Ranch Unit Wells No. 6 located in Unit X of Section 2, and Nos. 3 and 10, located in Units A and H, respectively, of Section 11, all in Township 16 South, Range 32 East, NMPM, for the initial injection wells in the Continental Anderson Ranch Wolfcamp Waterflood Project, Anderson Ranch-Wolfcamp Pool, Lea County, New Mexico, as authorized under the provisions of Commission Order No. R-3863 entered October 28, 1969.

(2) That injection into the Wolfcamp interval in each of said substitute wells shall be through internally coated tubing installed in a packer set as close as practicable to the uppermost casing perforation and well below the cement protecting such casing.

(3) That the casing-tubing annulus in each injection well shall be filled with an inert fluid and a pressure gauge or approved leak detection device shall be attached to the annulus or the annulus allowed to remain open in order to determine leakage in the casing, tubing, or packer.

(4) That the injection wells or system shall be equipped with a pressure-limiting switch or other acceptable device which will limit the surface injection pressure to no more than 1940 pounds.

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(5) That the Secretary-Director of the Commission may administratively authorize a pressure limitation in excess of that set out in Order No. (4) above upon a showing by the operator that such higher pressure will not result in fracturing of the confining strata.

(6) That the wells within the project area shall be equipped with risers or in another acceptable manner such as to facilitate the periodic testing of the bradenhead for pressure or fluid production.

(7) That the operator shall immediately notify the supervisor of the Commission district office at Hobbs of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from or around any producing well, the leakage of water or oil from or around any plugged and abandoned well within the project area, or any other evidence of fluid migration from the injection zone, and shall take such timely steps as may be necessary or required to correct such failure or leakage.

(8) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1115 of the Commission Rules and Regulations.

(9) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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