



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

ADMINISTRATIVE ORDER NO. PMX-248

APPLICATION OF CONOCOPHILLIPS COMPANY TO EXPAND ITS PRESSURE MAINTENANCE PROJECT IN THE VACUUM-ABO REEF POOL IN LEA COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-3181, as amended, ConocoPhillips Company has made application to the Division on July 10, 2006 for permission to expand its Vacuum Abo Unit Pressure Maintenance Project in the Vacuum-Abo Reef Pool in Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been filed in due form.
- (2) Satisfactory information has been provided to demonstrate that all offset operators and surface owners were provided notice of this application.
- (3) No objection has been received within the waiting period as prescribed by Rule 701(B).
- (4) The proposed injection wells are eligible for conversion to injection under the terms of Rule 701.
- (5) The proposed expansion of the above-referenced pressure maintenance project will not cause waste nor impair correlative rights.
- (6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, ConocoPhillips Company, is hereby authorized to inject water into the Abo formation, Vacuum-Abo Reef Pool, through the gross vertical interval from approximately 8,250 feet to 8,850 feet through either 2 3/8-inch or 2 7/8-inch plastic-lined tubing set in a packer located within 100 feet of the uppermost injection perforations in the following-described wells for purposes of pressure

maintenance to wit:

Vacuum Abo Unit Tract 13 Well No. 10
(API No. 30-025-03070)

1980' FSL & 1980' FEL, Unit J, Section 5, T-18S, R-35E

Injection Interval: 8,254'-8,850'

Packer Setting Depth: 8,154'

Vacuum Abo Unit Tract 14 Well No. 01
(API No. 30-025-03063)

1980' FSL & 1980' FWL, Unit K, Section 5, T-18S, R-35E

Injection Interval: 8,250'-8,840'

Packer Setting Depth: 8,150'

Vacuum Abo Unit Tract 11 Well No. 05
(API No. 30-025-02991)

330' FSL & 1980' FEL, Unit O, Section 33, T-17S, R-35E

Injection Interval: 8,375'-8,780'

Packer Setting Depth: 8,275'

IT IS FURTHER ORDERED THAT:

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

Prior to commencing injection operations, the casing in each well shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The injection wells or pressurization system shall be equipped so as to limit the surface injection pressure on the subject wells to no more than 1,650 psi. The Division Director may authorize a higher surface injection pressure upon a showing by the applicant that such higher pressure will not result in the fracturing of the injection formation or confining strata.

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.

The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of the tubing, casing or packer in said wells and shall take such steps as may be timely and necessary to correct such failure or leakage.

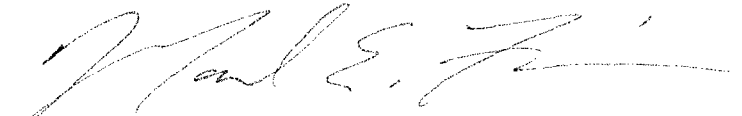
The subject wells shall be governed by all provisions of Division Order No. R-3181, as amended, and Rules 702-706 of the Division Rules and Regulations not inconsistent herewith.

PROVIDED FURTHER THAT, 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 water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The injection authority for the wells granted herein, shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the wells, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

DONE at Santa Fe, New Mexico, on this 7th day of August, 2006.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



MARK E. FESMIRE, P.E.,
Director

S E A L

MEF/drc

cc: Oil Conservation Division - Hobbs