



# New Mexico Energy, Minerals and Natural Resources Department

**Bill Richardson**  
Governor

**Jim Noel**  
Cabinet Secretary

**Karen W. Garcia**  
Deputy Cabinet Secretary

**Mark Fesmire**  
Division Director  
Oil Conservation Division



## Administrative Order WFX-876

**November 18, 2010**

Mr. Keith B. Masters as Agent for  
Resaca Operating Company  
1331 Lamar St., Ste. 1450  
Houston, TX 77010

### ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order R-4019 and R-4020, Resaca Operating Company (OGRID No. 263648) has made application to the Division for permission to add injection wells to its Cooper Jal Unit Waterflood Project located within the Tansill, Yates, Seven Rivers and Queen formations, Langlie Mattix (37240) and Jalmat Pools (33820) in Lea County, New Mexico.

#### THE DIVISION DIRECTOR FINDS THAT:

The application was filed in due form. No objections have been filed within the waiting period prescribed by Division Rule 26.8C.(2). The proposed injection wells are eligible for conversion to injection under the terms of Rule 26.8. The operator is in compliance with Rule 5.9.

It is our understanding that these wells were previously approved for injection as dually completed wells by Division Order No. R-4019 and R-4020 and that analysis reveal no evidence of any incompatibility between the Jalmat (upper zone) and the Langlie Mattix (lower zone).

The proposed extension of the above-referenced waterflood project, will prevent waste, is in the best interests of conservation, will not impair correlative rights, and should be approved. It is our understanding that the SE/4 NW/4 (Unit F) and the NW/4 SE/4 (Unit J) of Section 18, are subject to the Fee lease NM 141560, and this acreage has common ownership in the Tansill, Yates, Seven Rivers and Queen formations.



IT IS THEREFORE ORDERED THAT:

Resaca Operating Company is hereby authorized to inject water into the unitized interval, through plastic-lined tubing set in packers located within 100 feet of the top of the injection intervals in the following-described wells for purposes of secondary recovery:

**2 Additional Injection Wells**

WELL NAME	API	N-S	E-W	Unit	Sec	Tsp	Rge	Injection Interval	Injection Pressure
Cooper Jal Well No. 105	30-025-11147	1980 FNL	1980 FWL	F	18	24S	37E	3369-3733	670
Cooper Jal Well No. 244	30-025-11052	1980 FSL	1980 FEL	J	18	24S	37E	2850-3601	570

The subject wells are hereby further authorized to be unitized as downhole commingled injections wells in the Jalmat and Langlie-Mattix Pools. Providing that all conditions contained in the order remain the same and there have been no additional wells drilled or plugged in the area of review.

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.

Prior to commencing injection operations into these wells, the casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The casing-tubing annulus 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 injection wells or injection system shall be equipped with pressure limiting devices which will limit the wellhead pressure on the injection wells to no more than 0.2 psi/ft of depth to the uppermost injection perforation or to the maximum surface injection pressure described above.

The Director of the Division may authorize increases in injection pressure upon a proper showing by the operator that higher pressure will not result in migration of the injected fluid from the permitted injection interval or harmful formation fracturing. Such proper showing shall consist of valid step-rate tests and possibly injection profiles or pressure transient testing run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the District Office of the date and time of the installation of injection equipment and of all mechanical integrity tests so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the District Office 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-4019 and R-4020 as amended and Rules 26.9 through 26.13 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 granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into at least one of the subject wells, provided however, the Division, upon written request by the operator received prior to the one year deadline, may grant an extension thereof for good cause shown.



MARK E. FESMIRE, P.E.  
Acting Director

MEF/tw

cc: New Mexico Oil Conservation Division - Hobbs