OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

July 15, 1977

Yates Drilling Company Yates Building 207 South 4th St. Artesia, New Mexico 88210

Re: Administrative Order WFX-452

Gentlemen:

Enclosed herewith please find Administrative Order No. WFX-452 for the following described well:

> Artesia Metex Unit Well No. 16, located in Unit N of Section 24, Township 18 South, Range 27 Fast, NMPM, Eddy County, New Mexico.

> > Very truly yours,

JOE D. RAMEY Secretary-Director

JDR/CU/og

cc: Oil Conservation Commission Drawer DD Artesia, New Mexico

APPLICATION OF YATES DRILLING COMPANY TO EXPAND ITS ARTESIA METEX UNIT AREA WATER FLOOD PROJECT IN THE ARTESIA POOL IN EDDY COUNTY, NEW MEXICO.

ORDER NO. WFX-452

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION COMMISSION

Under the provisions of Order No. R-4609, Yates Drilling Company has made application to the Commission on June 30, 1977, for permission to expand its Artesia Metex Unit Area Water Flood Project in the Artesia Pool, Eddy County, New Mexico.

NOW, on this 15th day of July, 1977, the Secretary-Director finds:

1. That application has been filed in due form.

2. That satisfactory information has been provided that all offset operators have been duly notified of the application.

3. That waivers of objection have been received from such offsetting operators.

4. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-4609.

5. That the proposed expansion of the above referenced water
flood project will not cause waste nor impair correlative rights.
6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Yates Drilling Company, be and the same is hereby authorized to inject water into the Grayburg formation through plastic-lined tubing set in a packer at approximately 1900 feet in the following described well for purposes of secondary recovery, to wit:

Artesia Metex Unit Well No. 16, located in Unit M of Section 24, Township 18 South, Range 27 East, NMPM, Eddy County, New Mexico.

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.

That 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.

That the operator shall notify the supervisor of the Commission's Artesia District Office before injection is commenced through said well. That the operator shall immediately notify the supervisor of the Commission's Artesia Office of the failure of the tubing, casing, or packer in said well or the leakage of water from or around said well and shall take such steps as may be timely or necessary to correct such failure or leakage.

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

STATE OF NEW MEXICO

luin JOE D. RAMEY

Secretary-Director

SEAL