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

November 18, 1977

Depco, Inc. Production and Exploration 1025 Petroleum Building Denver, Colorado 30202

Re: Administrative Order No. WFX-457

Gentlemen:



Enclosed herewith please find Administrative Order No. WFX-457 for the following described well:

> State 647 Well No. 93 located in Unit C of Section 27, Township 13 South, Range 28 East, 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 DEPCO, INC. TO EXPAND ITS DEPCO CAMP, ARTESIA WATER FLOOD PROJECT IN THE ARTESIA POOL IN EDDY COUNTY, NEW MEXICO.

ORDER NO. WFX-457

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION COMMISSION

Under the provisions of Order No. R-4027, Depco, Inc. has made application to the Commission on October 31, 1977, for permission to expand its Depco Camp Artesia Water Flood Project in the Artesia Pool in Eddy County, New Mexico.

NOW, on this 15th day of November, 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 no objection has been received within the waiting period as prescribed by Order No. R-4027.

4. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-4027.

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, Depco, Inc., be and the same is hereby authorized to inject water into the San Andres formation through plastic-lined tubing set in a packer at approximately 2520 feet in the following described well for purposes of secondary recovery, to wit:

State 647 Well No. 93 located in Unit C of Section 27, Township 18 South, Range 28 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 injection well or system shall be equipped with a pop-off valve or device which will limit the wellhead pressure to a maximum of 507 pounds per square inch; provided however that the Secretary-Director of the Commission may administratively authorize a pressure limitation in excess of the above upon the operator's establishing that such higher pressure will not result in fracturing of confining strata.

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 District 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 OIL CONSERVATION COMMISSION

JOE D. RAMEY

Secretary-Director

SEAL