APPLICATION OF CONTINENTAL OIL COMPANY TO EXPAND ITS MCA UNIT WATER FLOOD PROJECT IN THE MALJAMAR GRAYBURG-SAN ANDRES POOL IN LEA COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER WFX NO. 466 (Corrected)

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-2403, Continental Oil Company has made application to the Commission on July 31, 1978, for permission to expand its MCA Unit Water Flood Project in the Maljamar Grayburg-San Andres Pool, Lea County, New Mexico.

NOW, on this 1st day of August, 1978, the Secretary-Director finds:

1. That application has been filed in due form.

2. That satisfactory information has been provided that there are no other offset operators.

3. That the proposed injection wells are eligible for conversion to water injection under the terms of Order No. R-2403.

4. That the proposed expansion of the above-referenced water flood project will not cause waste nor impair correlative rights.

5. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Continental Oil Company, be and the same is hereby authorized to inject water into the Grayburg-San Andres formation through the following described wells for purposes of secondary recovery, to wit:

> Wm. Mitchell B Well No. 4, located in Unit H of Section 18, and Wm. Mitchell B Well No. 5, located in Unit J of Section 18, both in Township 17 South, Range 32 East, NMPM, Lea County, New Mexico.

<u>PROVIDED HOWEVER</u>, That applicant shall inject water through tubing with packers set just above the injection intervals of said wells.

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 operator shall notify the supervisor of the

Division's Hobbs District Office before injection is commenced through said well;

That the operator shall immediately notify the Supervisor of the Commission's Hobbs 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

JOE D. RAMEY

Division Director

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