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

October 18, 1978

Burk Royalty Co. 800 Oil & Gas Building Wichita Falls, Texas 76301

Re: Administrative Order WFX No. 469

Gentlemen:

Enclosed herewith please find Administrative Order No. WFX-469.

Very truly yours,

JOE D. RAMEY Division Director

JDR/CU/og

cc: Oil Conservation Division Drawer DE Artesia, New Mexico APPLICATION OF BURK ROYALTY COMPANY TO EXPAND ITS WATER FLOOD PROJECT IN THE DOUBLE L QUEEN POOL IN CHAVES COUNTY, NEW MEXICO.

ORDER WFX NO. 469

## ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-5007, Burk Royalty Company has made application to the Division on July 10, 1978, for permission to expand its Double L Queen Unit Waterflood Project in the Double L Queen Pool in Chaves County, New Mexico.

NOW, on this 18th day of October, 1978, the Division 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-5007.

4. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-5007.

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, Burk Royalty Company, be and the same is hereby authorized to inject water into the Queen formation through plastic-lined tubing set in packers which shall be located as near as practicable to the uppermost perforations in the following described wells, to wit:

> Amoco Federal Well No. 1 in Unit L of Section 31, Township 14 South, Range 30 East, NMPM, Grace State Well No. 1 in Unit A of Section 1; Rob State Well No. 3 in Unit P of Section 1; Amerada Federal Well No. 1 C in Unit B of Section 12; and Barbara Federal Well No. 1 in Unit P of Section 12, all in Township 15 South, Range 29 East, NMPM, Lusk Well No. 3 in Unit C of Section 6 and Lusk Well No. 4 in Unit F of Section 6, both in Township 15 South, Range 30 East, NMPM, all in Chaves County, New Mexico.

## IT IS FURTHER ORDERED:

That the operator shall take 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. -2-

That the operator shall notify the supervisor of the Division's Artesia District Office before injection is commenced through said well.

That the operator shall immediately notify the Supervisor of the Division's Artesia District Office of the failure of 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 Division Director

SEAL