APPLICATION OF TEXACO, INC. TO EXPAND ITS PRESSURE MAINTENANCE PROJECT IN THE VACUUM GRAYBURG-SAN ANDRES POOL IN LEA COUNTY, NEW MEXICO

ORDER PMX NO. 74

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-4442, Texaco, Inc. has made application to the Division on January 8, 1979, for permission to expand its Vacuum Grayburg-San Andres Pressure Maintenance Project in the Vacuum Grayburg-San Andres Pool in Lea County, New Mexico.

NOW, on this 29th day of January, 1979, 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-4442.

4. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-4442.

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, Texaco, Inc., be and the same is hereby authorized to inject water into the Grayburg and San Andres formations through plastic-lined tubing set in packers at approximately 50 feet above the uppermost perforations in the following described wells for purposes of secondary recovery, to wit:

Vacuum Grayburg San Andres Unit Well No. 59, located in Unit E, and Vacuum Grayburg San Andres Unit Well No. 60, located in Unit D; both in Section 2, Township 18 South, Range 34 East, NMPM, Lea 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 wells or system shall be equipped with a pop-off value or device which will limit the wellhead pressure to a maximum of 900 pounds per square inch; provided however that the Division Director 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 Division's Hobbs District Office before injection is commenced through said wells;

That the operator shall immediately notify the Supervisor of the Division'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 wells 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 QIL CONSERVATION DIVISION

JOE D. RAMEY Division Director

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