

PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762 4001 PENBROOK

NATURAL RESOURCES GROUP Exploration and Production

December 3, 1979

Re: Administrative Order PMX No. 75

State of New Mexico Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey

Gentlemen:

Please correct PMX Order No. 75 with respect to East Vacuum Grayburg/San Andres Unit tract nos., well nos., and locations. The correct tract, wells and locations are as follows:

> East Vacuum Unit Tract 2717 Well No. 007, Unit I, Section 27, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico

East Vacuum Unit Tract 2801 Well No. 007, Unit N, Section 28, Township 17 South, Range 35 East, NMPM Lea County, New Mexico

We are sorry for the inconvenience of correcting our error.

Very truly yours,

T. Harold McLemore Area Regulation and Proration Analyst

THM:rlh

cc: Oil Conservation Division - Hobbs, NM

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APPLICATION OF PHILLIPS PETROLEUM COMPANY TO EXPAND ITS WATER FLOOD PROJECT IN THE VACUUM GRAYBURG SAN ANDRES POOL IN LEA COUNTY, NEW MEXICO.

ORDER PMX NO. 75

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-5897, Phillips Petroleum Company has made application to the Division on November 8, 1979, for permission to expand its East Vacuum Unit Pressure Maintenance Project in the Vacuum Grayburg San Andres Pool in Lea County, New Mexico.

NOW, on this 15th day of November, 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 the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-5897.

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, Phillips Petroleum Company, be and the same is hereby authorized to inject water into the San Andres formations through plastic-lined tubing set in a packer at approximately 4350 feet in the following described well for purposes of pressure maintenance, to wit:

East Vacuum Unit Well No. 006 in Unit D of Section 34, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico; and through plastic-lined tubing set in a packer at approximately 4350 feet for purposes of pressure maintenance to wit:

East Vacuum Unit Well No. 007 in Unit I Section 27 Township 17 South, Range 35 East, NMPM, Lea County, New Mexico; and through plastic-lined tubing set in a packer at approximately 4350 feet for purposes of pressure maintenance to wit:

East Vacuum Unit Well No. 007 in Unit N of Section 28, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, and through plastic-lined tubing set in a packer to approximately 4480 feet for purposes of pressure maintenance

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 875 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 Hobb's District Office before injection is commenced through said well;

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 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 OTL CONSERVATION DIVISION D RI Division Director

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