

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR



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AMENDED

ADMINISTRATIVE ORDER NO. PMX-167

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

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Division Order No. R-4442, Texaco Exploration & Production, Inc. has made application to the Division on January 27, 1992, for permission to expand its Vacuum Grayburg San Andres Pressure Maintenance Project in the Vacuum Grayburg San Andres Pool in Lea County, New Mexico.

THE DIVISION DIRECTORS FINDS THAT:

- (1) The application has been filed in due form.
- (2) Satisfactory information has been provided that all offset operators have been duly notified of the application.
- (3) No objection has been received within the waiting period as prescribed by Rule 701(B).
- (4) The proposed injection wells are eligible for conversion to water injection under the terms of Rule 701.
- (5) - The proposed expansion of the above-referenced Vacuum Grayburg San Andres Pressure Maintenance Project will not cause waste nor impair correlative rights.
- (6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, Texaco Exploration & Production, Inc., be and the same is hereby authorized to inject water into the Grayburg - San Andres formation at approximately 4132 feet to approximately 4733 feet through 2 3/8 inch plastic lined tubing set in a packer located within 100 feet of the uppermost perforations in the wells shown on Exhibit "A" attached hereto for purposes of pressure maintenance to wit.

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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.

Prior to commencing injection operations into the wells, the casing in each well shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus in each well 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.

The injection wells or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection wells to no more than 0.2 psi/ft. of depth to the uppermost perforation.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said wells that such higher pressure will not result in migration of the injected fluid from the Grayburg - San Andres formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of injection equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of the tubing, casing or packer in said wells and shall take such steps as may be timely and necessary to correct such failure or leakage.

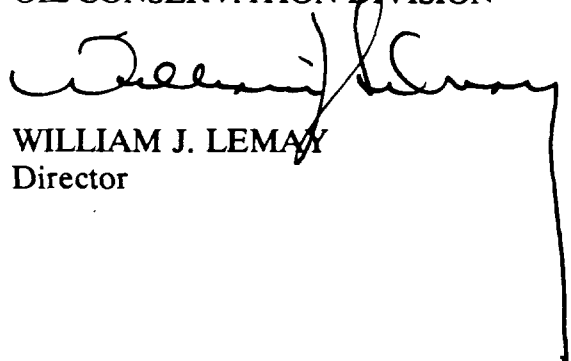
The subject wells shall be governed by all provisions of Division Order No. R-4442 and Rules 701-708 of the Division Rules and Regulations not inconsistent herewith.

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PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

Approved at Santa Fe, New Mexico, on this 13th day of April, 1992.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L

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cc: OCD - Hobbs
U.S. BLM - Carlsbad

EXHIBIT "A"
DIVISION ORDER NO. 167-PMX
VACUUM GRAYBURG SAN ANDRES UNIT
APPROVED INJECTION WELLS

<i>Well Number</i>	<i>Location</i>	<i>Unit</i>	<i>S-T-R</i>	<i>Injection Perforations</i>	<i>Packer Depth</i>	<i>Tubing Size</i>	<i>Injection Pressure</i>
VGSAU No. 148	1330' FNL & 660' FWL	D	1-18S-34E	4251' - 4710'	4151'	2 3/8"	850 PSIG
VGSAU No. 149	1330' FNL & 1980' FWL	C	1-18S-34E	4132' - 4733'	4085'	2 3/8"	826 PSIG
VGSAU No. 150	1390' FNL & 1980' FEL	G	1-18S-34E	4137' - 4733'	4090'	2 13/8"	827 PSIG