

Warnell, Terry G, EMNRD

To: wingram@blm.gov
Cc: Ezeanyim, Richard, EMNRD
Subject: RE: Resaca Operating Company Waterflood Expansion

Case 14677

Hi Wesley,

I appreciate the information and your objection.

I do have an Administrative Application on my desk from Resaca It's a Water Flood Expansion for seven existing (P&A'd or TA'd) wells in the Cooper Jal Unit:

Cooper Jal Unit Well No. 108	<i>Fed</i> 30-025-11142	Jalmat and Langlie Mattix Pools
Cooper Jal Unit Well No. 109	<i>Fed</i> 30-025-11133	Jalmat Pool Only
Cooper Jal Unit Well No. 114	30-025-09559	Jalmat and Langlie Mattix Pools <i>Fel</i>
Cooper Jal Unit Well No. 148	30-025-09642	Jalmat and Langlie Mattix Pools <i>Fel</i>
Cooper Jal Unit Well No. 206	30-025-09621	Jalmat Pool Only <i>- Fel and Langlie Mattix</i>
Cooper Jal Unit Well No. 213	<i>Fed</i> 30-025-09673	Jalmat and Langlie Mattix Pools
Cooper Jal Unit Well No. 230	30-025-09649	Jalmat Pool Only <i>Fel</i>

*April 6th
C-103*

Starting back in 1993 OCD has approved four Water Flood Expansion for this unit WFX-648, WFX-657, WFX-671 and WFX-876.

I will let Resaca's agent Keith Master know that we have received an objection to their WFX application and said application has been denied. They do have the option to ask for a hearing. If Resaca sets a hearing date then you or one of your staff will need to testify at the hearing here in Santa Fe. I will let you know when that is if it happens.

Thanks again

Terry

6 Jalmat & Langlie Mattix

5-3-11

called Keith M.

gone 7th

still within

The unit

still - effect

cement to surface

-----Original Message-----

From: wingram@blm.gov [mailto:wingram@blm.gov]
Sent: Wednesday, April 20, 2011 6:23 PM
To: Warnell, Terry G, EMNRD
Subject: Resaca Operating Company Waterflood Expansion

Terry,

The BLM is objecting to the proposal to expand the waterflood due to previous history with projects operated by Range Operating, OXY and Devon where the injection created multiple problems. In addition, the cementing of these wellbores is questionable and it was similar well cement jobs that created the problems with water flows outside of the proposed injection zone for the other operators.

For your information, the operator has submitted Notice of Stakings on the three Federal wells. I do not know the status of the wells on the Fee leases, but it appears that APDs have been submitted. They did list these wells in their 2011 Unit Plan of Development.

If the operator can satisfy our objections on the waterflood expansion, the BLM will require a CBL to determine the actual cement situation behind the production casing with remedial work to be done as needed. In addition, they will be required to run Casing Integrity Tests.

If the diagrams attached to the proposal are accurate, the BLM will not be able to approve CO2 injection as there are too many possibilities for CO2 to impact other formations.

Also, these wellbores are probably indicative of the condition of the other wells in the field.

Has NMOCD approved the combination of these pools? I know that was a hearing item, but I don't know the outcome.

Please let me know if you have any questions regarding the objection.

Thanks,
Wesley W. Ingram
Supervisory Petroleum Engineer
Bureau of Land Management
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