

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**David R. Catanach, Division Director**  
Oil Conservation Division



Administrative Order IPI-490

July 21, 2015

Administrative Application Reference No. pJAG1519528503

Ms. Denise Pinkerton  
Chevron USA, Inc.  
15 Smith Road  
Midland, TX 79705

**RE: Injection Pressure Increase**

Injection Permit: Order No. R-5530

Pool: Vacuum; Grayburg-San Andres (Pool code 62180)

Three injection wells in the Central Vacuum Unit Waterflood Project

Dear Ms. Pinkerton:

Reference is made to your request on behalf of Chevron USA, Inc. (OGRID 4323) received by the Division on July 13, 2015, to increase the maximum allowed surface tubing pressure on the three referenced wells.

These wells were permitted by the Division for pressure maintenance in the San Andres formation by Division Order No. R-5530 approved September 20, 1977. Order No. R-5530-E permitted the expansion of the Central Vacuum Unit Tertiary Recovery Project and approved the injection of produced water alternating with gas (carbon dioxide and produced gases) into the San Andres formation. Division Order No. R-5530-F allowed increases in the maximum surface injection pressures for existing wells within the "EOR Project Area".

It is our understanding that the applicant is requesting an increase in the maximum surface injection pressure for water only in order to enhance the tertiary recovery process. It is also understood that an increase will not result in the fracturing of the formation and confining strata.

Based on step-rate tests for these wells through 2<sup>3</sup>/<sub>8</sub>-inch tubing, you are hereby authorized to inject at the following maximum surface tubing pressure:

API No.	Well No.	ULSTR	SRT Test Date	Maximum Injection Pressure	Pressure Gradient (in psi/ft)
30-025-32801	Central Vacuum Unit No. 194	C-6-18S-35E	6/12/2015	2400 psi	0.56
30-025-26789	Central Vacuum Unit No. 145	N-31-17S-35E	6/29/2015	2600 psi	0.59
30-025-31709	Central Vacuum Unit No. 271	G-36-17S-34E	7/01/2015	2250 psi	0.52

This approval is based on the provision that the tubing size, packer setting depth and completion interval for these wells does not change. Any future requested pressure increase will require resubmission of additional data and a new step-rate test. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in these wells. This approval is subject to your being in compliance with all other Division rules, including but not limited to Division Rule 19.15.5.9 NMAC.

This Administrative Order supersedes Administrative Order IPI-2 for the Central Vacuum Unit No. 271, issued on July 23, 1999.

The Division Director may rescind this permitted injection pressure increase if it becomes apparent that the injected fluid is not being confined to the permitted disposal interval or is endangering any fresh water aquifer.

Sincerely,



DAVID R. CATANACH  
Director

DRC/mam

cc: Oil Conservation Division – Hobbs District Office  
Bureau of Land Management – Carlsbad  
Well Files 30-025-32801, 30-025-26789, and 30-025-31709,