

Entered February 17, 1987  
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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7933  
Order No. R-4053-A

APPLICATION OF NEW TEX OIL COMPANY  
FOR AMENDMENT OF DIVISION ORDER NO.  
R-4053, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 31, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 14th day of February, 1984, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, New Tex Oil Company, seeks amendment to Division Order No. R-4053, dated November 6, 1970, limiting the injection of produced salt water to an amount not in excess of 1500 barrels per month in the Ford Chapman Gulf Pipkin Federal Well No. 1, located 330 feet from the South line and 605 feet from the East line of Section 34, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico.
- (3) That Ford Chapman, operator of said Gulf Pipkin Federal Well No. 1, appeared and made objection to the proposed amendment to Division Order No. R-4053.
- (4) That the said Ford Chapman Gulf Pipkin Federal Well No. 1 is presently disposing of produced salt water into the Delaware formation, with injection into the open hole interval from 2899 feet to 2905 feet at an injection pressure of approximately 1000 psi.



(5) That the applicant's Stateline Federal Well No. 1, located 740 feet from the North line and 330 feet from the West line of Section 35, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico, is approximately 1450 feet northeast of the aforesaid Ford Chapman Gulf Pipkin Federal Well No. 1 and was spudded on June 4, 1983, reached a total depth of 6750 feet, and is presently completed in the Brushy Draw-Delaware Pool with perforations from 4942 feet to 6565 feet.

(6) That the evidence presented indicates that hydrocarbons are possibly present in the applicant's said Stateline Federal Well No. 1 at the corresponding depth, in the Delaware formation, as the injection interval in the aforesaid Ford Chapman Gulf Pipkin Federal Well No. 1.

(7) That the evidence presented is insufficient to show that restriction of the injection rate of produced salt water into the aforesaid Ford Chapman Gulf Pipkin Federal Well No. 1 to 1500 barrels per month is either necessary or adequate to prevent the flushing of hydrocarbons from the injection zone near the applicant's said Stateline Federal Well No. 1.

(8) That the present injection pressure in the aforesaid Ford Chapman Gulf Pipkin Federal Well No. 1 may be above fracture pressure.

(9) That continued injection above fracture pressure could cause the injected water and/or hydrocarbons to migrate out-of-zone.

(10) That such out-of-zone migration could endanger fresh water and/or cause the permanent loss of hydrocarbons by the "wetting" of dry sands, thereby causing waste and would not be in the best interests of conservation.

(11) That the operator of the aforesaid Gulf Pipkin Federal Well No. 1 should 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.

(12) That Division Order No. R-4053, dated November 6, 1970, should therefore be amended to limit the injection pressure in the aforesaid Ford Chapman Gulf Pipkin Federal Well No. 1.

(13) That the aforesaid Gulf Pipkin Federal Well No. 1 or system should be equipped with a pressure limiting switch or



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other acceptable device which will limit the wellhead pressure on the injection well to no more than 580 psi.

(14) That the Director of the Division should be authorized to administratively approve an increase in the injection pressure upon a proper showing by the operator that such higher pressure will not result in migration of the injected waters from the Delaware formation.

(15) That the operator should notify the supervisor of the Artesia district office of the Division of the date and time of the installation of the pressure limiting equipment so that the same may be inspected.

IT IS THEREFORE ORDERED:

(1) That Division Order No. R-4053, dated November 6, 1970, is hereby amended by the addition of the following provisions applicable to the Ford Chapman Gulf Pipkin Federal Salt Water Disposal Well No. 1, located 330 feet from the South line and 605 feet from the East line of Section 34, Township 26 South, Range 29 East, NMPM, Eddy County, New Mexico:

- (A) That the injection well or system shall be equipped with a pressure limiting switch or other acceptable device which will limit the wellhead pressure on the injection well to no more than 580 psi.
- (B) That the Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Delaware formation.
- (C) That the operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of the pressure limiting equipment so that the same may be inspected.
- (D) That the operator shall immediately notify the supervisor of the Division's Artesia 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 and necessary to correct such failure or leakage.



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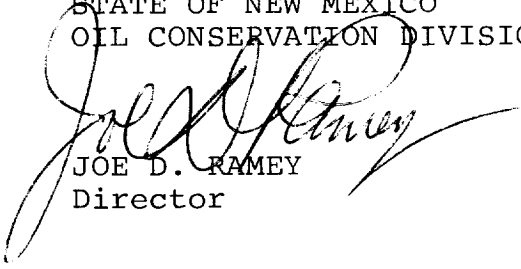
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(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



JOE D. RAMEY  
Director

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