

Entered March 11, 1980
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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. 6728
Order No. R-6277

APPLICATION OF CONOCO INC. FOR
PRESSURE MAINTENANCE EXPANSION,
LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 14, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 11th day of March, 1980, 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, Conoco Inc., is the operator of a pressure maintenance project in the Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico, and in this case seeks approval for the expansion of said project by the conversion to water injection into the Yates and Seven Rivers formations of its Eaves "A" Well No. 7 located in Unit J of Section 19, Township 26 South, Range 37 East, NMPM.

(3) That applicant proposes to inject water in said well through 3 1/2-inch internally coated tubing set in a packer at approximately 3030 feet, with perforations from 3082 feet to 3210 feet.

(4) That approval of the proposed pressure maintenance expansion should result in the recovery of additional oil which would otherwise remain unproduced, thereby preventing waste, and will not impair correlative rights, and should be given, provided however, that such expansion should be subject to

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certain provisions to ensure that underground fresh water supplies in the area are not impaired.

(5) That the casing-tubing annulus should be filled with an inert fluid, and that a pressure gauge or other approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(6) That the applicant should be permitted to use its Eaves "A" Well No. 7 for water injection as described above only after the applicant has submitted to the Hobbs District Office and the Santa Fe Office of the Division those items required by the Division pursuant to the provisions of Division Memorandum 3-77, dated August 24, 1977, and only after taking any remedial action deemed necessary by the Hobbs District Supervisor of the Division on wells within one-half mile of said Eaves "A" Well No. 7.

(7) That the injection well or injection pressurization system should be so equipped as to limit injection pressure at the wellhead to 620 psi, but the Division Director should have authority to increase said pressure limitation, should circumstances warrant, and if such pressure increase can be accomplished safely.

(8) That subject to the above conditions, the subject application should be approved, and the project should be governed by the provisions of Rules 701, 702, and 703 of the Division Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Conoco Inc., is hereby authorized to expand its Scarborough Eaves Pressure Maintenance Project by the injection of water into the Yates and Seven Rivers formations through the perforated interval from 3082 to 3210 feet in its Eaves "A" Well No. 7, located in Unit J of Section 19, Township 26 South, Range 37 East, NMPM, Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico.

(2) That injection shall be through internally coated 3 1/2-inch tubing set in a packer at approximately 3030 feet, and the casing-tubing annulus shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention-attracting leak detection device.

(3) That the injection well herein authorized or the injection pressurization system shall be so equipped as to limit

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injection pressure at the wellhead to no more than 620 psi, provided however, that the Division Director may authorize a higher surface injection pressure upon satisfactory showing that such pressure will not result in fracturing of the confining strata.

(4) That the operator shall immediately notify the Hobbs District Office of the Division of the failure of the tubing, casing, or packer in any of the project's injection wells, the leakage of water or oil from or around any producing well, or the leakage of water or oil from or around any plugged and abandoned well within the project area, and shall take such timely steps as may be necessary or required to correct such failure or leakage.

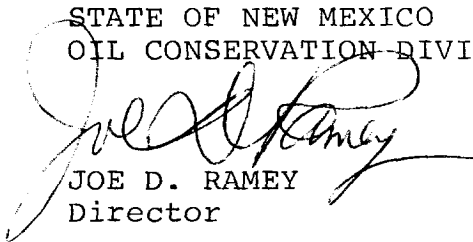
(5) That the Conoco Scarborough Eaves Pressure Maintenance Project shall be governed by the provisions of Rules 701, 702, and 703 of the Division Rules and Regulations, and monthly reports of the project shall be submitted to the Division in accordance with Rules 704 and 1115 thereof.

(6) That prior to commencement of water injection into its Eaves "A" Well No. 7, applicant shall have submitted to the Hobbs District Office and the Santa Fe Office of the Division those items required pursuant to Division Memorandum No. 3-77 dated August 24, 1977, and shall have taken such remedial action as may be deemed necessary by the Hobbs District Office of the Division on any well within one-half mile of said Eaves "A" Well No. 7.

(7) 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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