

Entered August 28, 1981
JR

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. 7320
Order No. R-6765

APPLICATION OF HARVEY E. YATES
COMPANY FOR A WATERFLOOD PROJECT,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 12, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 28th day of August, 1981, 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, Harvey E. Yates Company, seeks authority to institute a waterflood project on its Travis Deep Unit Area, Travis-Upper Pennsylvanian Pool, by the injection of water into the Cisco-Canyon formation through one well located in the NW/4 NE/4 of Section 13, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

(3) That, considering their depth, the wells in the project area are approaching or are in an advanced state of depletion and should properly be classified as "stripper" wells.

(4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(5) That the operator 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

-2-

Case No. 7320

Order No. R-6765

or onto the surface from injection, production, or plugged and abandoned wells.

(6) That the injection well or injection pressurization system should be so equipped as to limit injection pressure at the wellhead to no more than 1200 psi, but the Division Director should have authority to increase said pressure limitation, should circumstances warrant.

(7) That the subject application should be approved and the project should be governed by the provisions of Rules 701 through 708 of the Division Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Harvey E. Yates Company, is hereby authorized to institute a waterflood project on its Travis Deep Unit Area, Travis-Upper Pennsylvanian Pool, by the injection of water into the Cisco-Canyon formation through one well located in the NW/4 NE/4 of Section 13, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

(2) That injection into said well shall be through internally coated tubing, set in a packer which shall be located as near as practicable to the uppermost perforation; that the casing-tubing annulus of the injection well shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention-attracting leak detection device.

(3) That the operator shall immediately notify the supervisor of the Division's Artesia district office of the failure of the tubing or packer in the injection well, the leakage of water or oil from or around any producing well, or the leakage of water or oil from 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.

(4) That the injection well herein authorized and/or the injection pressurization system shall be so equipped as to limit injection pressure at the wellhead to no more than 1200 psi, provided however, 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.

(5) That the subject waterflood project is hereby designated the Travis Deep Waterflood Project and shall be governed by the provisions of Rules 701 through 708 of the Division Rules and Regulations.

-3-

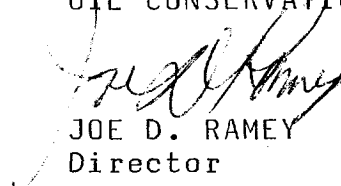
Case No. 7320
Order No. R-6765

(6) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Division in accordance with Rules 706 and 1115 of the Division Rules and Regulations.

(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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

S E A L

fd/