

Entered September 30, 1982  
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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. 7677  
Order No. R-7084

APPLICATION OF ANADARKO PRODUCTION  
COMPANY FOR A WATERFLOOD EXPANSION,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 15, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 30th day of September, 1982, 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, Anadarko Production Company, seeks authority to expand its Teas Yates Waterflood Project on its Teas Yates Unit, Teas Yates-Seven Rivers Pool, Lea County, New Mexico, by converting two wells located in Unit F of Sections 13 and 14, Township 27 South, Range 33 East, NMPM, to water injection and drilling three new injection wells at unorthodox locations in Units M of Section 11 and Unit L of Section 13, Township 20 South, Range 33 East, and Unit E of Section 18, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico.

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

(4) That the proposed waterflood project expansion 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

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injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells, and provided further, that prior to injection of water into proposed injection wells Tract 2 No. 1 and Tract 8 No. 4, applicant should take such steps as may be deemed necessary by the Supervisor of the Hobbs District Office of the Division to ensure the integrity of the casing, cementing, and plugging of Teas Yates Unit Tract 8 Well No. 1 (the old Spartan Federal 1-13) located in Unit E of Section 13, Township 20 South, Range 13 East, NMPM.

(6) That the injection wells or injection pressurization system should be so equipped as to limit injection pressure at the wellhead to no more than 1150 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 702 through 708 of the Division Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Anadarko Production Company, is hereby authorized to expand its Teas Yates Waterflood Project on its Teas Yates Unit, Teas Yates-Seven Rivers Pool, Lea County, New Mexico, by the injection of water into the Yates formation through the following described wells:

Old wells to be converted

Unit Tract	Well	
<u>No.</u>	<u>No.</u>	<u>Location</u>
5	3	1980' FNL and 1650' FWL, Section 14;
2	1	1980' FNL and 1980' FWL, Section 13;
Both in Township 20 South, Range 33 East, NMPM.		

New injection wells at unorthodox locations

Unit Tract	Well	
<u>No.</u>	<u>No.</u>	<u>Location</u>
8	4	2250' FSL and 975' FWL, Section 13;
13	2	10' FSL and 660' FWL, Section 11;
Both in Township 20 South, Range 33 East, NMPM.		
1	2	1980' FNL and 10' FWL, Section 18,
Township 20 South, Range 34 East, NMPM.		

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(2) That prior to injection of water in unit wells Tract 2 No. 1 and Tract 8 No. 4 as described above, applicant shall take such steps and action as may be deemed necessary by the Supervisor of the Hobbs District Office of the Division to ensure the integrity of the casing and cementing, as well as the subsequent plugging of Unit Well Tract 8 No. 1, located in Unit E of Section 13, Township 20 South, Range 33 East, NMPM.

(3) That injection into each of said wells 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 each injection well shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention-attracting leak detection device.

(4) That the operator shall immediately notify the supervisor of the Division's Hobbs district office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from 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.

(5) That the injection wells herein authorized and/or the injection pressurization system shall be so equipped as to limit injection pressure at the wellhead to no more than 1150 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.

(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

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