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PDC 0410330676

228

ChevronTexaco

1st of 2 Faxes

Fax

To: David Catanach (NMOCD) **From:** Monte Duncan (432-687-7217) (fax 432-687-7871)

Fax: 505-476-3462 **Date:** April 9, 2004

Phone: 505-476-3466 **Pages:** Cover + 16 8

Re: VGSAU #233 Inj PSI Increase Request **CC:**

Urgent **X For Review** **Please Comment** **Please Reply** **Please Recycle**

•Comments:

Attached is a package requesting an injection pressure increase on Vacuum Grayburg San Andres Unit #233, a ChevronTexaco well located in Lea County, New Mexico.

This package was send by US mail to you on Friday, April 9, 2004. Please call Mario Ballesteros (432-687-7218) or myself (432-687-7217) if you have any questions.

Thanks!

ChevronTexaco

April 9, 2004

State of New Mexico
Energy and Minerals Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RECEIVED

APR 12 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Attention: Mr. David Catanach, Engineering Bureau

**RE: Injection Pressure Increase
Vacuum Grayburg 233
2630' FSL & 660' FWL
Unit Ltr L, Section 1, Township 18-S, Range 34-E
Lea County, New Mexico**

Dear Mr. Catanach,

ChevronTexaco requests permission to increase the surface injection pressure on **Vacuum Grayburg San Andres Unit #233 (API No. 30-025-36355)** from 1450 psig to 1950 psig. This request is based upon step rate test conducted on April 7, 2004 by Precision Pressure Data, Inc. The results of the step rate test are attached to this letter. The well location is shown on the attached surface map.

On January 12, 2004 the New Mexico Oil Conservation Division granted approval to increase the surface injection pressure to 1450 psig on this vertical injection well, based on step rate tests conducted on November 14, 2003. The NMOCD approval letter is attached for your information.

The approval to begin injection operations was dependent upon the permanent plugging and abandonment of VGSAU #211 (API No. 30-025-35687), located 710 FSL & 1280 FWL, Unit Letter M, Section 1, T-18-S, R-34-E, NMPM, Lea County, New Mexico. This operation was completed on March 9, 2004 and was reported to the NMOCD by a subsequent C-103 report dated March 17, 2004 and by a letter dated March 23, 2004.

Since this well had been shut-in during the plugging and abandonment of VGSAU #211, the surface pressure had increased from 950 psig (pressure when initially drilled) to 1525 psig as reported before the last step rate. So there was a need to repeat the step rate procedure in order to find a higher surface pressure.

According to the results from this step rate test, a parting pressure was attained @ 3750 psi, which is equivalent to a surface pressure of 1950 psig.

Your prompt consideration and approval of this application will be greatly appreciated.
If additional information is required, please contact me at (432) 687-7218.

Sincerely,

Handwritten signature of Mario A. Ballesteros in black ink.

Mario A. Ballesteros
Petroleum Engineer
ChevronTexaco
15 Smith Road, Room #2235
Midland, TX 79705
Telephone: (432) 687-7218
Fax: (432) 687-7871

VGSAU #233

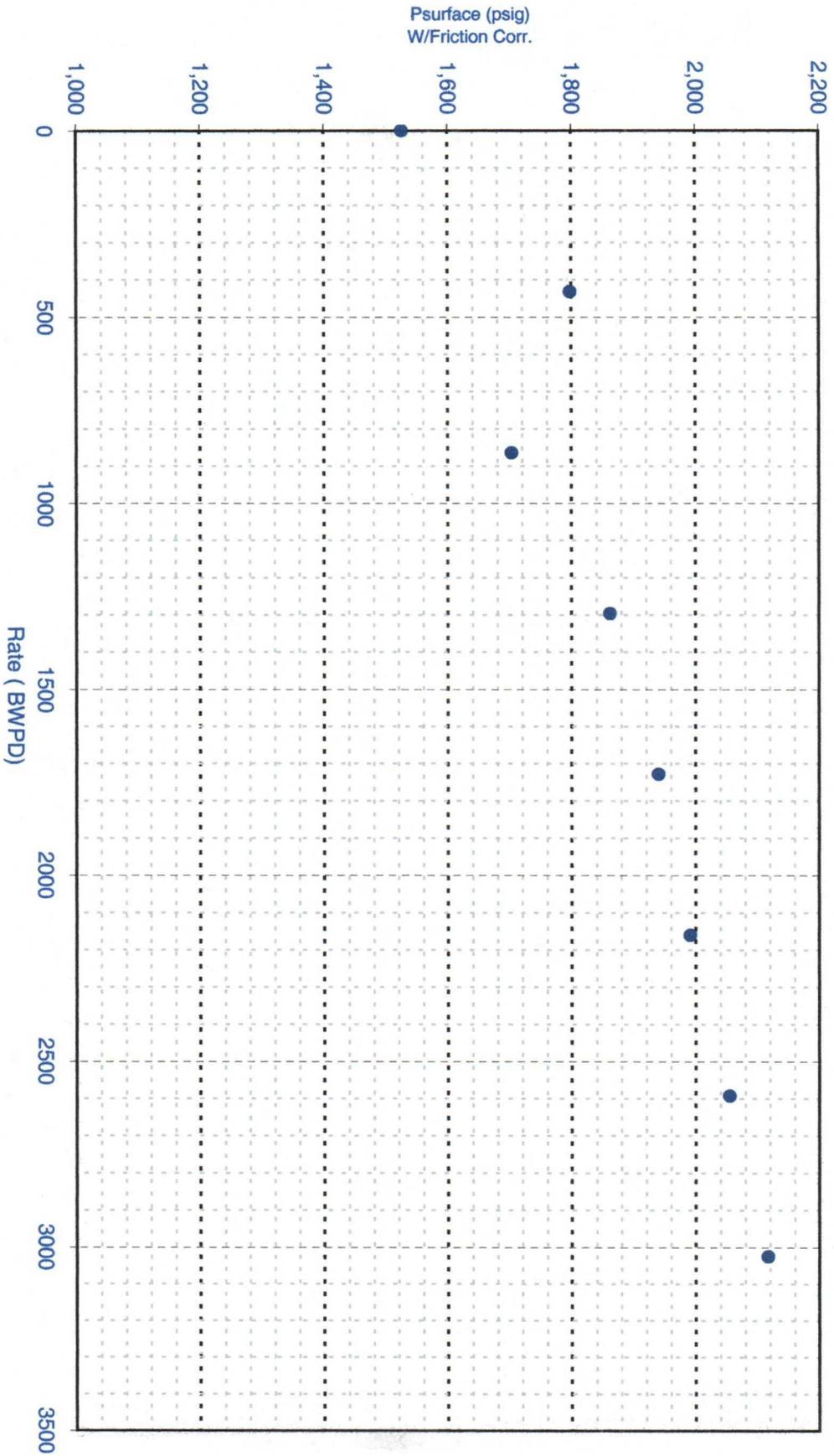
Step Rate

Test Results

April 7, 2004

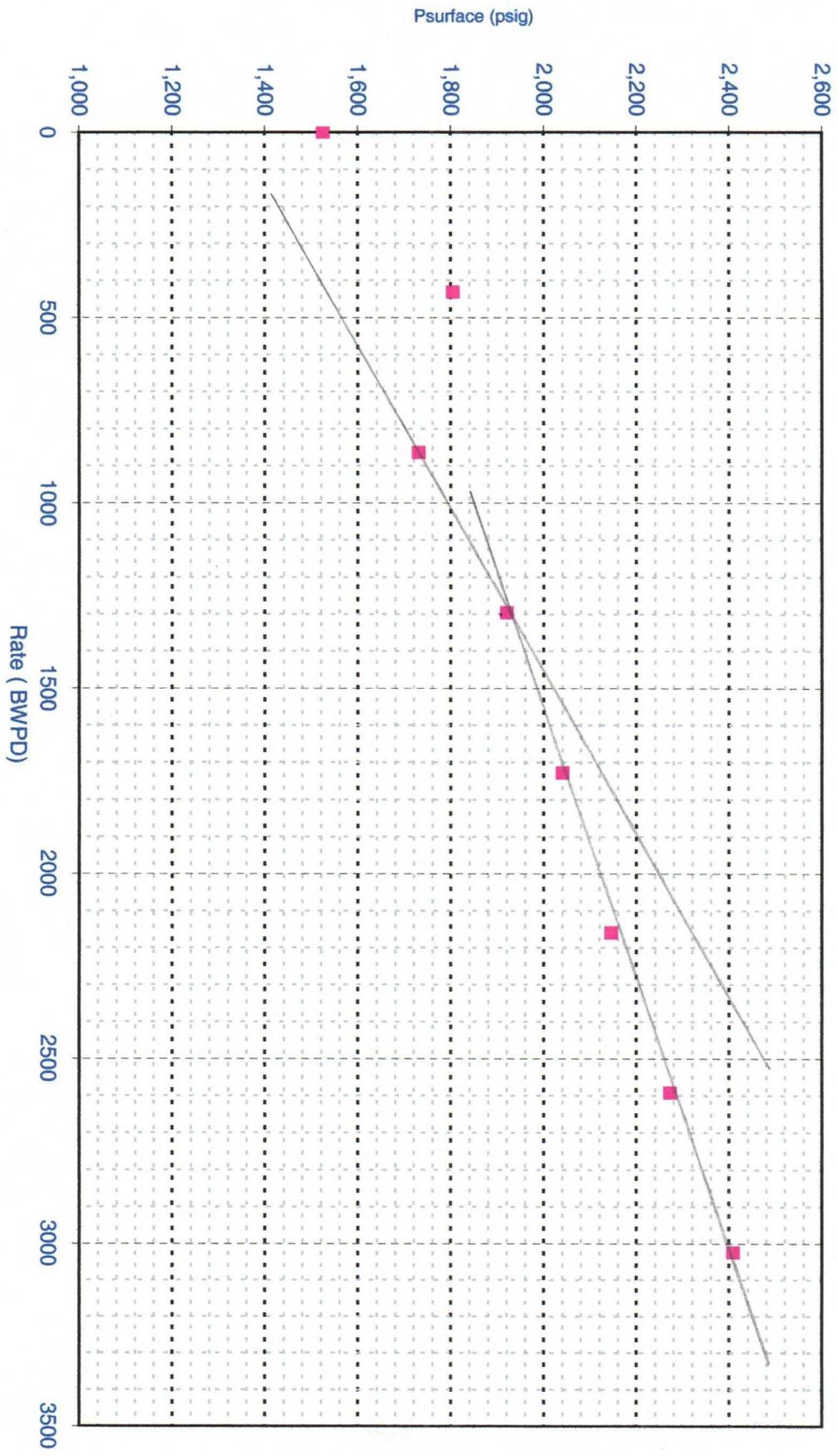
Step Rate Test
Chevron Texaco
VGSAU #233
4/7/2004

PRECISION
PRESSURE
DATA, INC.



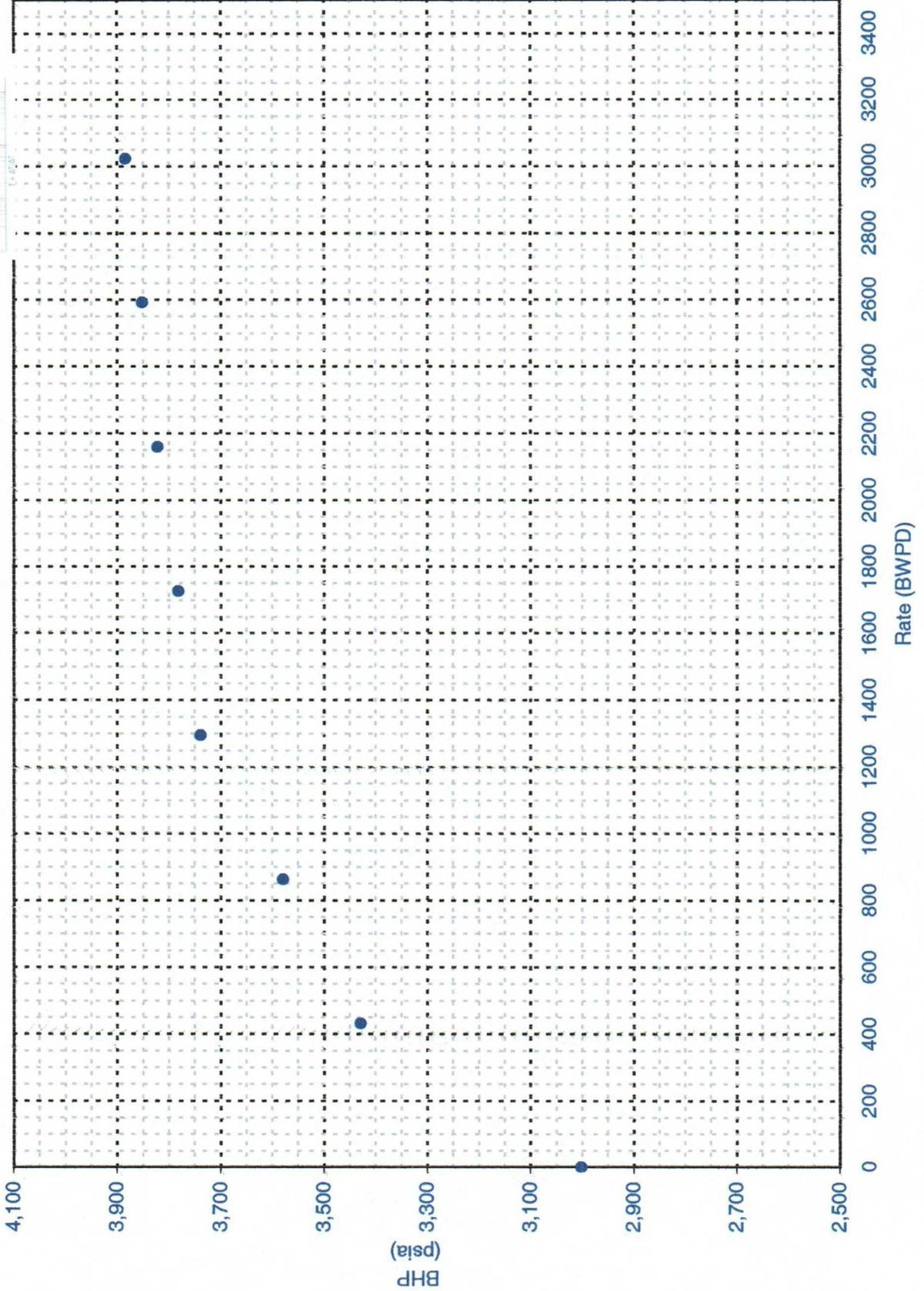
Step Rate Test
Chevron Texaco
VGSAU #233
4/7/2004

PRECISION
PRESSURE
DATA, INC.
1.1.2004



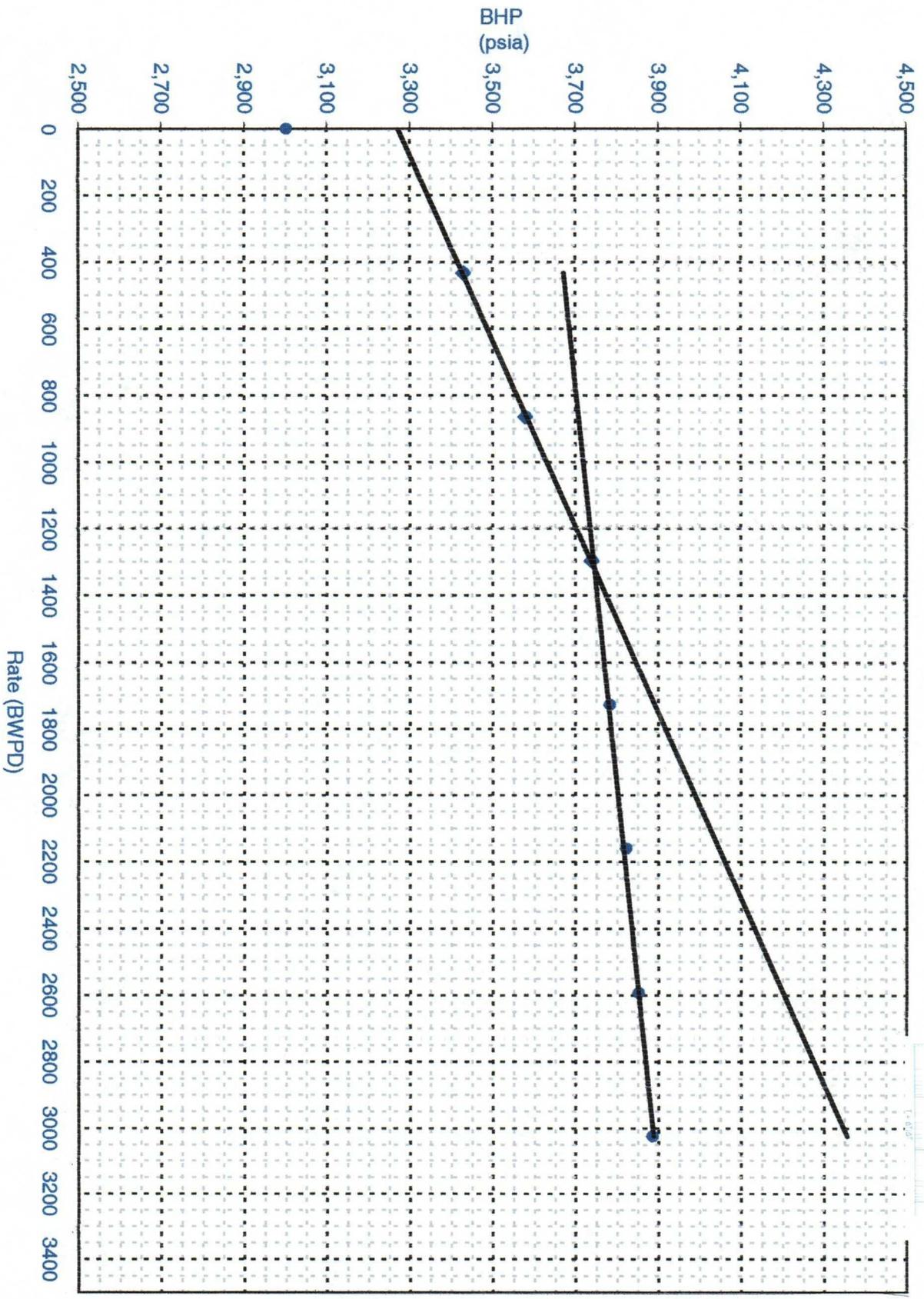
Step Rate Test
Chevron Texaco
VGSAU #233
4/7/2004

PRECISION
PRESSURE
DATA, INC.

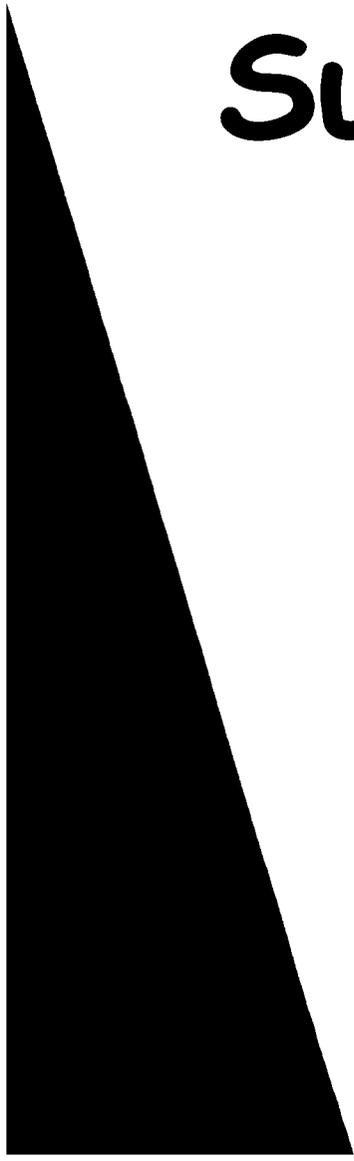


Step Rate Test
Chevron Texaco
VGSAU #233
4/7/2004

PRECISION
PRESSURE
DATA, INC.



VGSAU #233
Surface Location



DISTRICT I
P. O. Box 1940, Hobbs, NM 88240

DISTRICT II
P. O. Drawer 60, Artesia, NM 88210

DISTRICT III
1000 Via Arroyo Rd., Artesia, NM 87410

DISTRICT IV
P. O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1992
Instructions on back

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

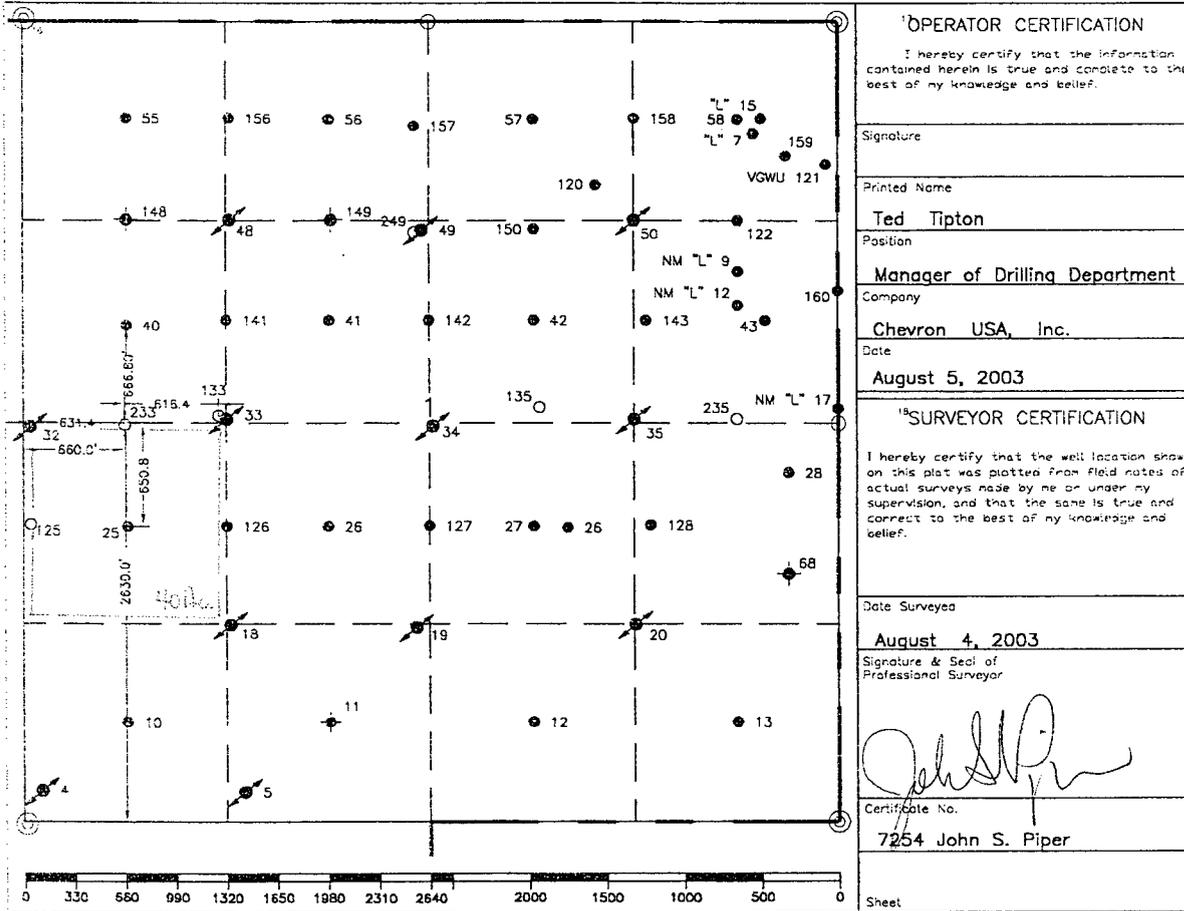
Submit to Appropriate District Office
State Lease-4 copies
Fee Lease-3 copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

1 API Number		2 Pool Code		3 Pool Name Vacuum Grayburg San Andres					
Property Code		3 Property Name Vacuum Grayburg San Andres Unit				5 Well Number 233			
LOGRD No.		3 Operator Name Chevron USA Inc.				6 Elevation 3997'			
10 Surface Location									
UL or lot no. L	Section 1	Township 18-S	Range 34-E	Lot Idn	Feet from the 2630'	North/South line SOUTH	Feet from the 660'	East/West line WEST	7 County Lea
11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	7 County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION.



1 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief.

Signature
Printed Name
Ted Tipton
Position
Manager of Drilling Department
Company
Chevron USA, Inc.
Date
August 5, 2003

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
August 4, 2003
Signature & Seal of Professional Surveyor

Certificate No.
7254 John S. Piper

Sheet

○ = Staked Location ● = Producing Well ↗ = Injection Well ↘ = Water Supply Well ◆ = Plugged & Abandon Well
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing	647309.553 (1927=647244.618)	Easting	791198.363 (1927=750019.330)
Latitude	1983= 32°46'36".657 1927= 32°46'36".316	Longitude	1983= 103°31'13".375 1927= 103°30'56".127
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1927	0.99979145	Buckeye.cr5
Drawing File	Field Book		
VGSAU233.dwg	Lea County 23, Pg. 29		

NMOCD

Permit to Inject

January 12, 2004



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

ADMINISTRATIVE ORDER NO. WFX-797

APPLICATION OF CHEVRONTEXACO TO EXPAND ITS ENHANCED OIL TERTIARY RECOVERY PROJECT IN THE VACUUM GRAYBURG-SAN ANDRES POOL IN LEA COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-4442, as amended, ChevronTexaco has made application to the Division on December 1, 2003 for permission to expand its Vacuum Grayburg San Andres Unit Enhanced Oil Tertiary Recovery Project in the Vacuum Grayburg-San Andres Pool in Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application was filed in due form.
- (2) Satisfactory information was provided that all offset operators have been duly notified of the application.
- (3) No objection has been received within the waiting period as prescribed by Rule 701(B).
- (4) The proposed injection well is eligible for conversion to injection under the terms of Rule 701.
- (5) The proposed expansion of the above referenced enhanced oil tertiary recovery project will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED THAT:

The applicant, ChevronTexaco, is hereby authorized to inject water into the Grayburg-San Andres formation, Vacuum Grayburg-San Andres Pool, through the perforated interval from approximately 4,366 feet to 4,448 feet using 2-3/8-inch plastic lined tubing set in a packer located at a depth of approximately 4,311 feet in the following described well for purposes of tertiary recovery to wit:

Vacuum Grayburg San Andres Unit Well No. 233 (API No. 30-025-36355)
2630' FSL & 660' FWL (Unit L) Section 1, Township 18 South, Range 34 East;
Injection Interval: Perforated 4,366 feet to 4,448 feet
Maximum Surface Injection Pressure: 1,450 psi

IT IS FURTHER ORDERED THAT:

Prior to commencing injection operations into the Vacuum Grayburg San Andres Unit Well No. 233, the applicant shall plug and abandon the Vacuum Grayburg San Andres Unit Well No. 211 (API No. 30-025-35687) located 710 feet from the South line and 1280 feet from the West line (Unit M) of Section 1, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, in a manner that is acceptable to the supervisor of the Division's Hobbs District Office.

Subsequent to the completion of plugging operations on the VGSAU Well No. 211, the applicant shall submit documentation to the Santa Fe Office of the Division verifying that this work has been completed. This documentation shall be in the form of a cover letter addressed to the Engineering Bureau complete with all applicable Form C-103's (Sundry Notices). Failure to comply with this directive may result in the cancellation of injection authority.

The operator shall 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.

Prior to commencing injection operations into the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure to 1,450 psi.

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 Vacuum Grayburg-San Andres Pool. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Hobbs district office of the Division of the date

Administrative Order WFX-797

ChevronTexaco

January 12, 2004

Page 3 of 3

and time: i) plugging operations will be conducted on the VGSAU Well No. 211; ii) of the installation of injection equipment in the injection well; and iii) of the mechanical integrity test so that these operations may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs District Office of the Division of the failure of the tubing, casing or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

The subject well shall be governed by all provisions of Division Order No. R-4442, as amended, and Rules 702-706 of the Division Rules and Regulations not inconsistent herewith.

PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

DONE at Santa Fe, New Mexico, on this 12th day of January, 2004.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Director

SEAL

LW/DRC

cc: Oil Conservation Division – Hobbs
Case File No. 12592

**ChevronTexaco
Information
Letter on the
P&A of
VGSAU #211**

ChevronTexaco
Russell Pool
Technical Team Leader
Vacuum Enhanced Oil Recovery Team
15 Smith Road
Midland, TX 79705
poolre@chevrontexaco.com

ChevronTexaco

March 23, 2004

**APPLICATION FOR AUTHORIZATION
TO INJECT - OCD FORM C-108
VACUUM GRAYBURG SAN ANDRES UNIT
GRAYBURG SAN ANDRES POOL
LEA COUNTY, NEW MEXICO**

State of New Mexico
Energy and Minerals Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Attention: David Catanach, Engineering Bureau

Pursuant to Administrative Order No. WFX-797 dated January 12, 2004, ChevronTexaco has permanently plugged and abandoned Vacuum Grayburg San Andres Unit Well # 211 (API No. 30-025-35687) located 710 feet from the South line and 1280 feet from the West line (Unit M) of Section 1, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, in a manner that was acceptable to the supervisor of the Division's Hobbs District Office. In accordance with this order, attached is a copy of the subsequent C-103 which was approved on March 19, 2004.

ChevronTexaco will begin injection of water into Vacuum Grayburg San Andres Unit Well #233 (API 30-025-36355) located 2630' from the South line and 660' from the West line (Unit L) of Section 1, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico on 4/1/04 unless notified by your office to do otherwise.

If additional information is required, please contact me at (432) 687-7417.

Sincerely,



Russell Pool
Technical Team Leader, Vacuum Enhanced Oil Recovery Team

File
Attachments