



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary
Reese Fullerton
Deputy Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



Administrative Order WFX-842
October 21, 2008

APPLICATION OF APACHE CORPORATION TO EXPAND ITS SECONDARY RECOVERY PROJECT IN THE NORTH EUNICE; BLINEBRY TUBB DRINKARD OIL POOL IN LEA COUNTY, NEW MEXICO

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Division Order R-12394, Apache Corporation (OGRID No. 873) has made application to the Division for permission to add one water injection well to its East Blinebry Drinkard Unit Waterflood Project located within the North Eunice; Blinebry Tubb Drinkard Pool (22900) in Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

The application was filed in due form. No objections have been filed within the waiting period prescribed by Division Rule 701(C). The proposed injection well is eligible for water injection under the terms of Rule 701.

Satisfactory information was provided to demonstrate that affected parties were provided notice of the application. No objections have been filed.

The proposed water injection well will not cause waste nor impair correlative rights and should be approved.

IT IS THEREFORE ORDERED THAT:

Apache Corporation is hereby authorized to inject water into the unitized interval, through plastic-lined tubing set in packers located within 100 feet of the top of the injection interval in the following-described well for purposes of secondary recovery:

East Blinebry Drinkard Unit Well No. 34 (API No. 30-025-06544)
1980' FNL, 2310' FEL, Unit G, Sec 12, T21S, R37E, NMPM
Permitted Injection Interval (Perforated): 5807 - 5982
Maximum Surface Injection Pressure: 1121 PSIG Water



IT IS FURTHER ORDERED THAT:

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, the casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

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(s) or injection system shall be equipped with pressure limiting devices which will limit the wellhead pressure to the maximum surface injection pressure described above.

The Director of the Division may authorize increases in injection pressure upon a proper showing by the operator that higher pressure will not result in migration of the injected fluid from the permitted injection interval or harmful formation fracturing. Such proper showing shall consist of valid step-rate tests run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the District Office of the date and time of the installation of injection equipment and of all mechanical integrity tests so that the same may be inspected and witnessed.

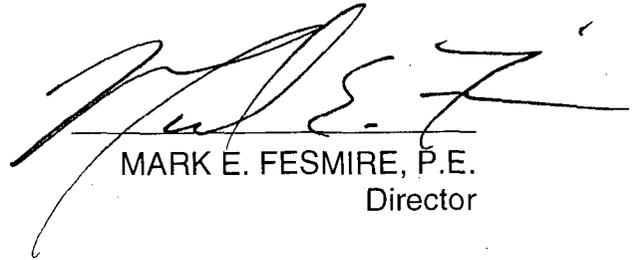
The operator shall immediately notify the supervisor of the District Office of the failure of the tubing, casing or packer in said well(s) and shall take such steps as may be timely and necessary to correct such failure or leakage.

The subject well(s) shall be governed by all provisions of Division Order No. R-12394, 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

received prior to the one year deadline, may grant an extension thereof for good cause shown.



MARK E. FESMIRE, P.E.
Director

MEF/wvjj

cc: Oil Conservation Division – Hobbs
Bureau of Land Management - Carlsbad