

APPLICATION OF DEPCO, INC. TO EXPAND
ITS WATER FLOOD PROJECT IN THE
ARTESIA POOL IN EDDY COUNTY, NEW MEXICO

ORDER WFX NO. WFX-470

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order Nos. R-2876 and R-3311, Depco, Inc. has made application to the Division on November 6, 1978, for permission to expand its Artesia Waterflood Project in the Artesia Pool in Eddy County, New Mexico.

NOW, on this 21st day of November, 1978, the Division Director finds:

1. That application has been filed in due form.
2. That satisfactory information has been provided that all offset operators have been duly notified of the application;
3. That waivers of objection have been received from such offset operators.
4. That the proposed injection well is eligible for conversion to water injection under the terms of Order Nos. R-2876 and R-3311.
5. That the proposed expansion of the above referenced water flood project will not cause waste nor impair correlative rights.
6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Depco, Inc. be and the same is hereby authorized to inject water into the Grayburg formation through plastic-lined tubing set in a packer at approximately 2300 feet in the following described well for purposes of secondary recovery, to wit:

Artesia Unit Well No. 18 in Unit K of Section 36, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico; and through plastic-lined tubing set in a packer at approximately 1950 feet in the following described well for purposes of secondary recovery, to wit:

Artesia Unit Well No. 24 in Unit I of Section 34, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, and through plastic-lined tubing set in a packer at approximately 2430 feet in the following described well for purposes of secondary recovery, to wit;

Artesia Unit Well No. 34 in Unit B of Section 2, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico; and through plastic-lined tubing set in a packer at approximately 2300 feet in the following described well for purposes of secondary recovery, to wit;

Artesia Unit Well No. 39 in Unit C of Section 3, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

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.

That the operator shall conduct step-rate tests on the above four injection wells and shall inject at a pressure less than formation fracture pressure.

That 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.

That prior to injecting into Well No. 18, a plugged and abandoned well located in Unit O, Section 36, Township 17 South, Range 28 East, shall be re-entered and properly plugged.

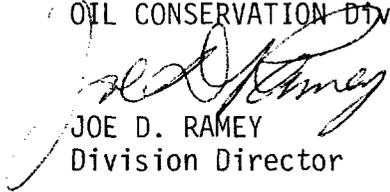
That prior to injection into Well No. 34, a plugged and abandoned well located in Unit O, Section 35, Township 17 South, Range 28 East, and a well located in Unit C, Section 2, Township 18 South, Range 28 East, shall be re-entered and properly plugged.

That the operator shall notify the supervisor of the Division's Artesia District Office before injection is commenced through said well;

That the operator shall immediately notify the Supervisor of the Division's Artesia District Office of the failure of the tubing, casing, or packer in said well or the leakage of water from or around said well and shall take such steps as may be timely or necessary to correct such failure or leakage.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION Division


JOE D. RAMEY
Division Director

SEAL