



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 2018
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

November 14, 1984

APPLICATION OF PHILLIPS OIL COMPANY
TO EXPAND ITS WATERFLOOD PROJECT
IN THE MALJAMAR POOL IN LEA COUNTY,
NEW MEXICO

ORDER No. WFX-534

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-5134 has made application to the Division on October 5, 1984 for permission to expand its Northeast Maljamar Waterflood Project in the Maljamar Pool in Lea County, New Mexico.

NOW, on this 19 day of November, 1984, 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 no objection has been received within the waiting period as prescribed by Rule 701B.
4. That the proposed injection well is eligible for conversion to water injection under the terms of Rule 701.
5. Well(s) within a 1/2 mile radius of the proposed Phillips "E" State Well No. 33 may not be plugged in a manner acceptable with Oil Conservation standards and may provide a possible path for the migration of fluids from the proposed injection interval to other horizons.
6. Plugged and abandoned wells within said 1/2 mile radius should be reviewed by the Hobbs district office and wells not plugged in a manner acceptable with said District

office shall be replugged before injection commences into the Phillips "E" State Well No. 33.

7. That the proposed expansion of the above referenced waterflood project will not cause waste nor impair correlative rights.

8. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Phillips Oil Company, be and the same is hereby authorized to inject water into the Grayburg-San Andres formations through plastic-lined tubing set in a packer at a maximum of 100 feet above the uppermost injection interval in each well in the following described wells for purposes of waterflood to wit:

<u>NORTHEAST MAJAMAR WATERFLOOD WELL NUMBERS AND LOCATIONS</u>	<u>MAXIMUM SURFACE INJECTION PRESSURE</u>
Phillips "E" State Well No. 30 1980' FSL and 660' FWL, Section 13, T-17S, R-33E, Lea County, NM	885 PSIG
Phillips "E" State Well No. 33 660' FSL and 1980' FWL, Section 14, T-17S, R-33E, Lea County, NM	885 PSIG
Leamex Well No. 33 1980' FNL and 660' FEL, Sec. 24, T-17S, R-33E, Lea County, NM	840 PSIG
Leamex Well No. 19 1980' FSL and 660' FWL, Section 24, T-17S, R-33E, Lea County, NM	880 PSIG
Leamex Well No. 29 1980' FSL and 660' FWL, Sec. 24, T-17S, R-33E, Lea County, NM	875 PSIG

* Injection shall not commence until our Hobbs district office is satisfied that plugged and abandoned wells within 1/2 mile radius of this well have been plugged in a manner acceptable with Oil Conservation standards.

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 casing-tubing annulus (in each well) 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 the injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 0.20 psi per foot of depth to the uppermost injection interval in each well (Note list of wells for specific pressures).

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

That the operator shall notify the supervisor of the Division's Hobbs District Office before injection is commenced through said wells.

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

That the subject wells shall be governed by all provisions of Division Order No. R-3154 and Rules 702, 703, 704, 705, and 706 not inconsistent herewith.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Stamets
R. L. STAMETS,
Division Director

S E A L