

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

APPLICATION OF MURPHY OPERATING
CORPORATION TO EXPAND IS WATERFLOOD
PROJECT IN THE TODD LOWER SAN ANDRES
POOL IN ROOSEVELT COUNTY

ORDER NO. WFX-567

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-6677, Murphy Operating Corporation has made application to the Division on October 21, 1987 for permission to expand its Todd Lower San Andres Waterflood Project in the Todd Lower San Andres Pool in Roosevelt County, New Mexico.

NOW, on this 4day of November, 1986, 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 wells are eligible for conversion to water injection under the terms of Rule 701.
5. That the proposed expansion of the above referenced Waterflood project will not cause waste nor impair correlative rights.
6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Murphy Operating Corporation, be and the same is hereby authorized to inject water into San Andres formations through plastic-lined tubing set in a packer located within 100 feet of the uppermost perforation through the gross perforated interval from approximately 4223 feet to 4344 feet in the following described wells (see attached sheet) for purposes of secondary recovery to wit:

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

That the injection wells or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection wells to no more than .2 psi/ft. of depth to the uppermost perforation.

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 San Andres formation. 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 Hobbs district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

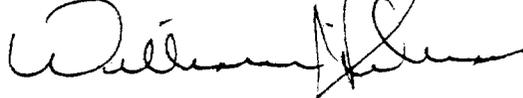
That the operator shall immediately notify the Supervisor of the Division's Hobbs District Office of the failure of the tubing, casing, or packer in said wells or the leakage of water from or around said wells and shall take such steps as may be timely or necessary to correct such failure or leakage.

That the subject wells shall be governed by all provisions of Division Order No. R-6677 and Rules 702, 703, 704, 705, and 706 not inconsistent herewith.

That the Division Director may rescind or suspend this injection authority if it becomes apparent that the injected water is not being confined to the injection zone or it is endangering any fresh water aquifers.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read 'William J. Lemay', written over the printed name below.

WILLIAM J. LEMAY
Director

S E A L

WELL NAME & LOCATION	MAXIMUM INJECTION PRESSURE
Todd Lower San Andres Unit No. 30-10 1980 FSL & 1980 FEL (Unit J) Section 30, Township 7 South, Range 36 East	847 PSIG
Todd Lower San Andres Unit No. 30-16 660 FSL & 660 FEL (Unit P) Section 30, Township 7 South, Range 36 East	848 PSIG
Todd Lower San Andres Unit No. 31-8 1830 FNL & 660 FEL (Unit H) Section 31, Township 7 South, Range 36 East	853 PSIG
Todd Lower San Andres Unit No. 32-12 2180 FSL & 660 FWL (Unit L) Section 32, Township 7 South, Range 36 East	861 PSIG

ALL IN ROOSEVELT COUNTY, NEW MEXICO