



BRUCE KING
GOVERNOR

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



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

ADMINISTRATIVE ORDER NO. WFX-624

APPLICATION OF SHELL WESTERN E & P, INC. TO EXPAND ITS WATERFLOOD PROJECT IN THE NORTH EUNICE BLINEBRY-TUBB-DRINKARD POOL IN LEA COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-8541, Shell Western E & P, Inc. has made application to the Division on December 16, 1991, for permission to expand its Northeast Drinkard Unit Waterflood Project in the North Eunice Blinebry-Tubb-Drinkard Pool in Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been filed in due form.
- (2) Satisfactory information has been 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 wells are eligible for conversion to injection under the terms of Rule 701.
- (5) The proposed expansion of the above referenced Waterflood Project will not cause waste nor impair correlative rights.
- (6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, Shell Western E & P, Inc., be and the same is hereby authorized to inject water into the Blinbry-Tubb-Drinkard formation at approximately 5657 feet to approximately 6753 feet through 2 3/8 inch plastic lined tubing set in a packer located within 100 feet of the uppermost injection perforations in the wells shown on Exhibit "A" attached hereto 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.

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

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.

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, as shown in Exhibit "A".

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said wells that such higher pressure will not result in migration of the injected fluid from the Blinbry-Tubb-Drinkard formation. 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 and time of the installation of injection equipment and of the mechanical integrity tests so that the same 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.

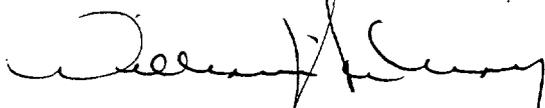
Administrative Order WFX-624
Shell Western E & P, Inc.
March 11, 1992
Page 3

The subject wells shall be governed by all provisions of Division Order No. R-8541, and Rules 702-706 of the Division Rules and Regulations not inconsistent herewith.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

DONE at Santa Fe, New Mexico, on this 11th day of March, 1992.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

jc/

cc: Oil Conservation Division - Hobbs

EXHIBIT "A"
DIVISION ORDER NO. WFX-624
NORTHEAST DRINKARD UNIT
APPROVED INJECTION WELLS

Well Number	Location	Unit	S-T-R	Injection Perforations	Packer Depth	Tubing Size	Injection Pressure
NEDU No. 402	1980' FNL & 990' FWL	E	10-21S-37E	5723' - 6753'	5623'	2 3/8"	1145 PSIG
NEDU No. 408	660' FNL & 660' FEL	A	10-21S-37E	5736' - 6714'	5680'	2 3/8"	1148 PSIG
NEDU No. 502	660' FSL & 660' FWL	M	10-21S-37E	5710' - 6658'	5640'	2 3/8"	1142 PSIG
NEDU No. 616	990' FNL & 1980' FWL	C	14-21S-37E	5704' - 6680'	5604'	2 3/8"	1141 PSIG
NEDU No. 603	1890' FNL & 760' FWL	E	15-21S-37E	5715' - 6682'	5630'	2 3/8"	1143 PSIG
NEDU No. 802	1980' FNL & 660' FWL	E	22-21S-37E	5657' - 6612'	5605'	2 3/8"	1131 PSIG

All in Lea County, New Mexico