

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR



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

ADMINISTRATIVE ORDER NO. WFX-629

APPLICATION OF MARATHON OIL COMPANY TO EXPAND ITS WATERFLOOD PROJECT IN THE SOUTH EUNICE SEVEN RIVERS QUEEN POOL IN LEA COUNTY, NEW MEXICO

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Division Order No. R-4217, Marathon Oil Company has made application to the Division on March 16, 1992, for permission to expand its South Eunice Seven Rivers Queen Unit Waterflood Project in the South Eunice Seven Rivers Queen 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 South Eunice Seven Rivers Queen Unit Waterflood Project will not cause waste nor impair correlative rights.
- (6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, Marathon Oil Company, be and the same is hereby authorized to inject water into the Seven Rivers and Queen formations at approximately 3608 feet to approximately 3780 feet through 2 3/8 inch plastic lined tubing set in a packer located within 100 feet of the uppermost 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 injection perforations, as shown on 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 Seven Rivers or Queen formations. 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 wells and shall take such steps as may be timely and necessary to correct such failure or leakage.

Administrative Order WFX-629
Marathon Oil Company
April 9, 1992
Page 3

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 9th day of April, 1992.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

William J. Lemay
WILLIAM J. LEMAY
Director

S E A L

jc/

cc: Oil Conservation Division - Hobbs

EXHIBIT "A"
DIVISION ORDER NO. WFX-629
SOUTH EUNICE SEVEN RIVERS QUEEN UNIT
APPROVED INJECTION WELLS

Well Number	Location	Unit	S-T-R	Injection Perforations	Packer Depth	Tubing Size	Injection Pressure
SESROU No. 406	1980' FNL & 990' FEL	H	35-22S-36E	3680' to 3760'	3580'	2 3/8"	736 PSIG
SESROU No. 407	1980' FSL & 2310' FEL	J	35-22S-36E	3700' to 3780'	3600'	2 3/8"	740 PSIG
SESROU No. 409	1650' FSL & 300' FWL	L	36-22S-36E	3653' to 3739'	3553'	2 3/8"	731 PSIG
SESROU No. 412	330' FSL & 1650' FWL	N	36-22S-36E	3642' to 3738'	3542'	2 3/8"	728 PSIG
SESROU No. 415	1650' FSL & 2310' FEL	J	36-22S-36E	3608' to 3722'	3508'	2 3/8"	722 PSIG

All in Lea County, New Mexico