NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

ADMINISTRATIVE ORDER NO. WFX-696

APPLICATION OF THE WISER OIL COMPANY TO EXPAND ITS WATERFLOOD PROJECT IN THE MALJAMAR GRAYBURG-SAN ANDRES POOL IN LEA COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-1538, The Wiser Oil Company has made application to the Division on October 22, 1996 for permission to expand its Maljamar Grayburg Unit Waterflood Project in the Maljamar Grayburg-San Andres 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, The Wiser Oil Company, be and the same is hereby authorized to inject water into the Grayburg and San Andres formations at approximately 3746 feet to approximately 4388 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 described on Exhibit "A" attached hereto, for purposes of secondary recovery.

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 shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

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.

The injection well 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 per foot of depth to the uppermost injection perforation.

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 Grayburg or San Andres 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.

The subject wells shall be governed by all provisions of Division Order No. R-1538, 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.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject wells, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

DONE at Santa Fe, New Mexico, on this 3rd day of December, 1996.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L

cc: Oil Conservation Division - Hobbs
Ms. Bonnie Jones, J.O. Easley, Inc.
Files: Case No.1803

EXHIBIT "A"
DIVISION ORDER NO. WFX-696
MALJAMAR GRAYBURG UNIT
APPROVED INJECTION WELLS

Well Name	Well No.	Location	Unit	S-T-R	Injection Perforations	Packer Depth	Tubing Size	Pressure
Maljamar Grayburg Unit	1	1988' FNL & 659' FWL	E	2-T17S-R32E	4087' - 4380'	3987'	2 3/8"	817 PSIG
Maljamar Grayburg Unit	2	2310' FSL & 330' FWL	L	2-T17S-R32E	4078' - 4084'	3978'	2 3/8"	816 PSIG
Maljamar Grayburg Unit	3	660' FNL & 660' FEL	A	3-T17S-R32E	4105' - 4388'	4005'	2 3/8"	821 PSIG
Maljamar Grayburg Unit	4	1980' FNL & 1980' FEL	G	3-T17S-R32E	4092' - 4356'	3992'	2 3/8"	818 PSIG
Maljamar Grayburg Unit	5	1988' FNL & 660' FEL	H	3-T17S-R32E	4091' - 4278'	3991'	2 3/8"	818 PSIG
Maljamar Grayburg Unit	8	2140' FSL & 2180' FWL	K	3-T17S-R32E	4092' - 4356'	3992'	2 3/8"	818 PSIG
Maljamar Grayburg Unit	9	1980' FSL & 660' FWL	L	3-T17S-R32E	3950' - 4116'	3850'	2 3/8"	790 PSIG
Maljamar Grayburg Unit	10	660' FSL & 660' FWL	M	3-T17S-R32E	3920' - 4017'	3820'	2 3/8"	784 PSIG
Maljamar Grayburg Unit	15	1980' FNL & 660' FWL	E	4-T17S-R32E	3881' - 4060'	3781'	2 3/8"	756 PSIG
Maljamar Grayburg Unit	18	1980' FNL & 660' FEL	H	4-T17S-R32E	4005' - 4190'	3905'	2 3/8"	801 PSIG
Maljamar Grayburg Unit	19	1980' FSL & 660' FEL	I	4-T17S-R32E	3954' - 4081'	3854'	2 3/8"	791 PSIG
Maljamar Grayburg Unit	23	2310' FSL & 330' FWL	L	4-T17S-R32E	3848' - 3957'	3748'	2 3/8"	770 PSIG
Maljamar Grayburg Unit	25	660' FSL & 990' FWL	M	4-T17S-R32E	3844' - 3966'	3744'	2 3/8"	769 PSIG
Maljamar Grayburg Unit	27	990' FSL & 1980' FEL	O	4-T17S-R32E	3888' - 4002'	3788'	2 3/8"	778 PSIG
Maljamar Grayburg Unit	28	660' FSL & 660' FEL	P	4-T17S-R32E	3912' - 4046'	3812'	2 3/8"	782 PSIG
Maljamar Grayburg Unit	32	660' FSL & 660' FEL	P	8-T17S-R32E	To Be Determined	TBD	2 3/8"	.2 psi/ft
Maljamar Grayburg Unit	33	670' FNL & 770' FEL	A	9-T17S-R32E	3888' - 4016'	3788'	2 3/8"	778 PSIG
Maljamar Grayburg Unit	34	330' FNL & 1980' FEL	B	9-T17S-R32E	3834' - 3990'	3734'	2 3/8"	767 PSIG
Maljamar Grayburg Unit	35	330' FNL & 2310' FWL	C	9-T17S-R32E	3848' - 3976'	3748'	2 3/8"	770 PSIG
Maljamar Grayburg Unit	36	330' FNL & 990' FWL	D	9-T17S-R32E	3796' - 3950'	3696'	2 3/8"	759 PSIG
Maljamar Grayburg Unit	38	1980' FNL & 1980' FWL	F	9-T17S-R32E	3785' - 4083'	3685'	2 3/8"	757 PSIG
Maljamar Grayburg Unit	40	1800' FNL & 660' FEL	H	9-T17S-R32E	3842' - 4139'	3742'	2 3/8"	768 PSIG

Well Name	Well No.	Location	Unit	S-T-R	Injection Perforations	Packer Depth	Tubing Size	Pressure
Maljamar Grayburg Unit	42	1980' FSL & 1980' FEL	J	9-T17S-R32E	3820' - 4099'	3720'	2 3/8"	764 PSIG
Maljamar Grayburg Unit	44	1980' FSL & 660' FWL	L	9-T17S-R32E	3746' - 3959'	3646'	2 3/8"	729 PSIG
Maljamar Grayburg Unit	46	660' FSL & 1980' FWL	N	9-T17S-R32E	3748' - 3932'	3648'	2 3/8"	750 PSIG
Maljamar Grayburg Unit	48	660' FSL & 660' FEL	P	9-T17S-R32E	3830' - 4110'	3730'	2 3/8"	766 PSIG
Maljamar Grayburg Unit	49	660' FNL & 660' FEL	A	10-T17S-R32E	4039' - 4211'	3939'	2 3/8"	808 PSIG
Maljamar Grayburg Unit	52	660' FNL & 690' FWL	D	10-T17S-R32E	3891' - 4186'	3791'	2 3/8"	778 PSIG
Maljamar Grayburg Unit	53	1980' FNL & 610' FWL	E	10-T17S-R32E	3882' - 4020'	3772'	2 3/8"	776 PSIG
Maljamar Grayburg Unit	54	1650' FNL & 2310' FWL	F	10-T17S-R32E	3820' - 4221'	3720'	2 3/8"	764 PSIG
Maljamar Grayburg Unit	55	1980' FNL & 1980' FEL	G	10-T17S-R32E	3894' - 3995'	3794'	2 3/8"	779 PSIG
Maljamar Grayburg Unit	56	1650' FNL & 990' FEL	H	10-T17S-R32E	3970' - 4105'	3870'	2 3/8"	794 PSIG
Maljamar Grayburg Unit	57	1980' FSL & 660' FEL	I	10-T17S-R32E	3916' - 4060'	3816'	2 3/8"	783 PSIG
Maljamar Grayburg Unit	59	19800' FSL & 1980' FEL	K	10-T17S-R32E	3856' - 4026'	3756'	2 3/8"	771 PSIG
Maljamar Grayburg Unit	60	1980' FSL & 660' FWL	L	10-T17S-R32E	3835' - 4008'	3735'	2 3/8"	767 PSIG
Maljamar Grayburg Unit	62	330' FSL & 1980' FWL	N	10-T17S-R32E	3819' - 4127'	3719'	2 3/8"	764 PSIG
Maljamar Grayburg Unit	64	660' FSL & 660' FEL	P	10-T17S-R32E	3886' - 4036'	3786'	2 3/8"	757 PSIG
Maljamar Grayburg Unit	66	1980' FNL & 660' FWL	L	11-T17S-R32E	3918' - 4057'	3818'	2 3/8"	784 PSIG
Maljamar Grayburg Unit	68	890' FSL & 1810' FWL	N	11-T17S-R32E	3934' - 4079'	3834'	2 3/8"	787 PSIG
Maljamar Grayburg Unit	71	990' FNL & 660' FWL	D	14-T17S-R32E	3856' - 4003'	3756'	2 3/8"	771 PSIG
Maljamar Grayburg Unit	75	660' FNL & 1980' FEL	B	15-T17S-R32E	3809' - 4135'	3709'	2 3/8"	762 PSIG
Maljamar Grayburg Unit	77	2310' FNL & 660' FEL	H	15-T17S-R32E	3926' - 4072'	3826'	2 3/8"	785 PSIG
Maljamar Grayburg Unit	152*	2005' FNL & 2152' FWL	F	4-T17S-R32E	To Be Determined	TBD	2 3/8"	.2 psi/ft
Maljamar Grayburg Unit	153*	672' FSL & 2162' FWL	N	4-T17S-R32E	To Be Determined	TBD	2 3/8"	.2 psi/ft
Maljamar Grayburg Unit	154*	1980' FSL & 990' FWL	l	4-T17S-R32E	To Be Determined	TBD	2 3/8"	.2 psi/ft

All wells located in Lea County, New Mexico

* New Drills

Note: Some wells to be re-completed may have perforated intervals other than shown as long as packer setting and maximum pressure are determined as outlined in body of order.