

APPLICATION OF PHILLIPS PETROLEUM
COMPANY TO EXPAND ITS EAST VACUUM
GRAYBURG SAN ANDRES PRESSURE MAINTENANCE
PROJECT IN THE VACUUM GRAYBURG SAN ANDRES
POOL IN LEA COUNTY, NEW MEXICO

ORDER PMX NO. 94

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-5897, Phillips Petroleum Company has made application to the Division on September 8, 1980, for permission to expand its East Vacuum Unit Pressure Maintenance Project in the Vacuum Grayburg San Andres Pool in Lea County, New Mexico.

NOW, on this 24th day of October, 1980, 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 waivers of objection have been received from such offset operators.
4. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-5897.
5. That the proposed expansion of the above referenced pressure maintenance project will not cause waste nor impair correlative rights.
6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Phillips Petroleum Company, be and the same is hereby authorized to inject water into the San Andres formation through plastic-lined tubing set in a packer at approximately 4390 feet in the following described well for purposes of pressure maintenance, to wit:

East Vacuum Unit, Tract 3373, Well #001 in Unit K
of Section 33, Township 17 South, Range 35 East,
NMPM, Lea County, New Mexico.

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 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 pop-off valve or device which will limit the surface wellhead

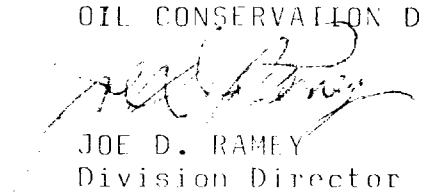
pressure to a maximum of 920 pounds per square inch; provided however that the Division Director may administratively authorize a pressure limitation in excess of the above upon the operator's establishing that such higher pressure will not result in fracturing of the confining strata.

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

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 well or the leakage of water from or around said well and shall take such steps as may be timely or necessary to correct such failure or leakage.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Division Director

SEAL