

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

POST DFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

GOVERNOR

LARRY KEHOE
SECRETARY

December 19, 1980

Phillips Petroleum Company 4001 Penbrook Odessa, Texas 79762

Re: Administrative Order No. PMX-99

Gentlemen:

Enclosed herewith please find Administrative Order PMX-99 for two wells in the Vacuum Grayburg San Andres Pool in Lea County, New Mexico.

Very truly yours

JOE D. RĂMEY / Division Director

JDR/MH/og

cc: Oil Conservation Division

Box 1980

Hobbs, New Mexico

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

ORDER NO. PMX-99

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 December 19, 1980, for permission to amound its East Vacuum Grayburg-San Andres Unil Pressure Maintenance Project in the Vacuum Grayburg-San Andres Pool in Lea County, New Mexico.

NOW, on this 19th day of December, 1980, the Division Director finds:

- l. That application has been filed in due form.
- 2. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-5897.
- 3. That the proposed expansion of the above referenced pressure maintenance project will not cause waste nor impair correlative rights.
 - 4. 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 in the following described wells:

East Vacuum Grayburg-San Andres Unit, Tract 0449 Well No. 002 in Unit D oc Section 4, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico, with plastic lined tubing set in a packer at approximately 4380 feet for purposes of pressure maintenance;

East Vacuum Grayburg-San Andres Unit, Tract 0524 Well No. 004 in Unit F of Section 5, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico, with plastic lined tubing set in a packer at approximately 4480 feet for purposes of pressure maintenance.

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 wellhead pressure to a maximum of 910 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 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