

LARRY KEHOE

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 67501 (505) 827-2434

March 27, 1981

Phillips Petroleum Company 4001 Penbrook Odessa, Texas 79762

Re: Administrative Order PMX No. 103

Gentlemen:

Enclosed herewith please find Administrative Order PMX No. 103 for the following described well:

East Vacuum Unit Tract 2648 Well No. 002 - Unit M, Section 26, Township 17 South, Range 35 East.

Very truly yours

JOE D. RAMEY
Division Director

JDR/RS/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 PMX NO. 103

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 January 15, 1981, 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 27th day of March, 1981, the Division Director finds:

- 1. 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 San Andres formations through plastic-lined tubing set in a packer at approximately 4400 feet in the following described well for purposes of pressure maintenance to wit:

East Vacuum Unit Tract 2648 Well No. 002 Unit M, Section 26, Township 17 South, Range 35 East

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 in the wells 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 pressure limiting device which will limit the wellhead pressure to a maximum of 900 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 said well shall not be placed on injection at greater than hydrostatic pressure if such well is located within one-half mile of any well listed on Exhibit "C" to Order R-5897 unless

remedial action has been taken on such well to ensure that it will not serve as an avenue of escape for injected waters, or tests have been conducted on such well or evidence concerning such well has been presented establishing to the satisfaction of the Supervisor of the Hobbs District Office of the Division that remedial work on such well is unnecessary.

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.

That the subject well shall be governed by all provisions of Division Order No. R-5897 no inconsistent herewith.

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