



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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GOVERNOR

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APPLICATION OF AMOCO PRODUCTION COMPANY (U.S.A.)
TO EXPAND ITS PRESSURE MAINTENANCE PROJECT IN
THE HOBBS GRAYBURG-SAN ANDRES POOL IN LEA COUNTY,
NEW MEXICO.

ORDER No. PMX-126

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-4934, Amoco Production Company has made application to the Division on January 12, 1984, for permission to expand its South Hobbs Unit Pressure Maintenance Project in the Grayburg-San Andres Pool in Lea County, New Mexico.

NOW, on this 16th day of February, 1984, 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 no objection has been received within the waiting period as prescribed by Rule 701B.
4. That the proposed injection well is eligible for conversion to water injection under the terms of Rule 701.
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, Amoco Production Company, be and the same is hereby authorized to inject water into the Grayburg-San Andres formations through plastic-lined tubing set in a packer at approximately 100 feet above the injection interval

in the following described wells for purposes of pressure maintenance to wit:

South Hobbs Unit Well No. 171, 710' FNL and 610' FWL
Section 9, T-19-S, R-38-E, Lea County, New Mexico

South Hobbs Unit Well No. 172, 2030' FNL and 710' FEL
Section 9, T-19-S, R-38-E, Lea County, New Mexico

South Hobbs Unit Well No. 173, 2030' FNL and 1930' FWL
Section 10, T-19-S, R-38-E, Lea County, New Mexico

State "A" Well No. 37 to be changed to South Hobbs
Unit Well No. 170, 1980' FSL and 1832' FEL of
Section 4, T-19-S, R-38-E, 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 (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.

That the injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 830 psi for Wells Nos. 171, 172, and 173 and 817 psi for Well No. 170.

That the Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Grayburg-San Andres formations. That such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

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

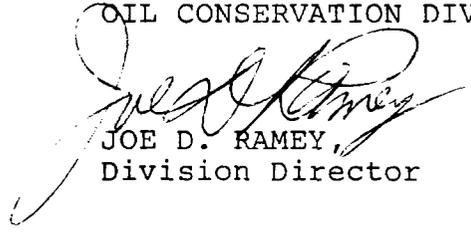
That the operator shall immediately notify the Supervisor of the Division's Hobbs District Office of the failure of the tubing, casing, or packer in said wells or the leakage of water

from or around said wells and shall take such steps as may be timely or necessary to correct such failure or leakage.

That the subject wells shall be governed by all provisions of Division Order No. R-4934 and Rules 702, 703, 704, 705, and 706 not inconsistent herewith.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



Handwritten signature of Joe D. Ramey in cursive script, overlapping the typed name and title.

JOE D. RAMEY,
Division Director

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