

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

January 8, 1987

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

ORDER NO. PMX-143

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 December 1, 1986, for permission to expand its South Hobbs Grayburg San Andres Pressure Maintenance Project in the Hobbs Grayburg San Andres Pool in Lea County, New Mexico.

NOW, on this 2nd day of January, 1987, 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 Hobbs Grayburg San Andres formation through plastic-lined tubing set in a packer located approximately 100' above the uppermost perforations in the

following described well for purposes of pressure maintenance to wit:

<u>WELL NUMBER</u>	<u>LOCATION</u>	<u>MAXIMUM SURFACE INJECTION PRESSURE (PSIG)</u>
Shu No. 120	1272' FNL & 1420' FWL Sec. 5, T-19-S, R-38-E	822
Shu No. 121	1450' FNL & 150' FWL Sec. 4, T-19-S, R-38-E	811
Shu No. 176	1200' FNL & 213' FEL Sec. 6, T-19-S, R-38-E	836

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 prior to commencing injection operations in the well, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of the casing.

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 .2 psi/ft. of depth to the uppermost perforation.

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 formation. 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.

That the Division Director may rescind or suspend this injection authority if it becomes apparent that the injected water is not being confined to the injection zone or it is endangering any fresh water aquifers.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


CHARLES E. ROYBAL,
Acting Director

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