

RELEASE 3-8-93

03 FEB 1993 10 14

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose:  Secondary Recovery  Pressure Maintenance  Disposal  Storage  
Application qualifies for administrative approval?  yes  no

II. Operator: Phillips Petroleum Company  
Address: 4001 Penbrook St., Odessa, Texas 79762  
Contact party: L. M. Sanders Phone: 915/368-1488

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project?  yes  no  
If yes, give the Division order number authorizing the project R-9500.

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

\* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

\*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

\* X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

\* XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: L. M. Sanders Title Supervisor, Reg. Affairs

Signature: [Signature] Date: 2/18/93

\* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal.

## III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; location by Section, Township, and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and name of the next higher and next lower oil or gas zone in the area of the well, if any.

## XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) the intended purpose of the injection well; with the exact location of single wells or the section, township, and range location of multiple wells;
- (3) the formation name and depth with expected maximum injection rates and pressures; and
- (4) a notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501 within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

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**NOTICE:** Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

RELEASE 3.10.93

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

FORM C-108  
Revised 7-1-81

POST OFFICE BOX 2086  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501

OIL CONSERVATION DIVISION  
RECEIVED  
93 FEB 24 AM 9 14

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose:  Secondary Recovery  Pressure Maintenance  Disposal  Storage  
Application qualifies for administrative approval?  yes  no

II. Operator: Phillips Petroleum Company  
Address: 4001 Penbrook St., Odessa, Texas 79762  
Contact party: L. M. Sanders Phone: 915/368-1488

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project?  yes  no  
If yes, give the Division order number authorizing the project: R-9500

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

\* VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

\*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

\* X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

\* XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: L. M. Sanders Title: Supervisor, Reg. Affairs

Signature: [Signature] Date: 2/18/93

\* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal.

Application for Authorization to Inject

PHILLIPS PETROLEUM COMPANY  
JAMES A NO. 3

III. WELL DATA

A. Name, Location, & Wellbore Data

- |                      |  |
|----------------------|--|
| 1. Name & Location:  | James A No. 3,<br>1980 FSL & 1980 FWL,<br>Sec. 2, T-22-S, R-30-E,<br>Eddy County, New Mexico |
| 2. Casing: Surface   | 13-3/8" 54.5# K-55 @ 405',<br>cmt'd to surface w/ 650 sx.                                    |
| Intermediate         | 8-5/8" 24# & 32# K-55 @ 3518',<br>cmt'd to surface w/ 1100 sx                                |
| Production           | 5-1/2" 15.5# K-55 @ 7490',<br>cmt'd w/ 900 sx, TOC = 3700'.                                  |
| 3. Injection Tubing: | 2-7/8", 6.5 lb/ft, L-80 (internally<br>plastic coated) to ±4600'                             |
| 4. Injection Packer: | Baker Loc-Set Retrievable packer with<br>Baker model "FL" on/off tool set at<br>±4600'       |

B. Reservoir Data

- |                                    |   |
|------------------------------------|---|
| 1. Injection Formation:            | Cherry Canyon (Delaware), & Brushy<br>Canyon (Delaware).                                |
| Field Name:                        | Cabin Lake (Delaware)   |
| 2. Proposed Injection<br>Interval: | 4724'-4744'<br>5647'-5700'<br>7052'-7084'<br>7200'-7264'<br><br>(existing perforations) |
| 3. Original Intent:                | oil producer  |
| 4. Other Perforated Zones:         | none  |
| 5. Productive zones:               | Next higher - none<br><br>Next lower - Strawn @ ±12,150'                                |

**VII. PROPOSED INJECTION OPERATIONS**

- |                        |  |
|------------------------|--|
| 1. Injection Rate:     | Average = 1000 bwpd<br>Maximum = to be determined by step-rate test  |
| 2. Injection System:   | Closed   |
| 3. Injection Pressure: | Average = 700 psi<br>Maximum = to be determined by step-rate test  |
| 4. Injection Fluid:    | Produced water from Phillips Petroleum Company's James-A State, James-E Federal, Peak View Federal, & Livingston Ridge Federal leases. |

**VIII. GEOLOGIC DATA**

**A. Injection Zone**

- |                 |  |
|-----------------|--|
| 1. Name:        | Cherry Canyon (Delaware)<br>Brushy Canyon (Delaware)   |
| 2. Description: | Injection will be into existing perforated intervals within the Delaware formation. Oil productive Delaware consists of stratigraphically-trapped, very fine grained sandstone channels. These sandstone channels are overlain by shale & dolomite and pinch out laterally into siltstone & shale. |

Net pay = 169'

Top of Bell Canyon = 3664' (KB)  
Top of Cherry Canyon = 4438'  
Top of Brushy Canyon = 5778'  
Top of Bone Springs = 7406'

Gross Thickness (Delaware) = 3786'

**B. Fresh Water Sources**

There are no underground sources of drinking water above or below the Delaware formation.

**IX. PROPOSED STIMULATION PROGRAM**

NO additional stimulation of the perforated intervals will be necessary to facilitate water injection.

**X. LOGGING DATA**

Two copies of the OH logs for this well have been filed with the NMOCD.

**XI. FRESH WATER ANALYSIS**

There are no underground sources of fresh water within one mile of the James-A No. 3 well.

**XII. PROOF OF NOTICE**

A copy of this application has been furnished to the land owner (State of New Mexico Land Department) of the land on which the James-A No. 3 is located.

# ATTACHMENT NO. 1

## PHILLIPS PETROLEUM COMPANY

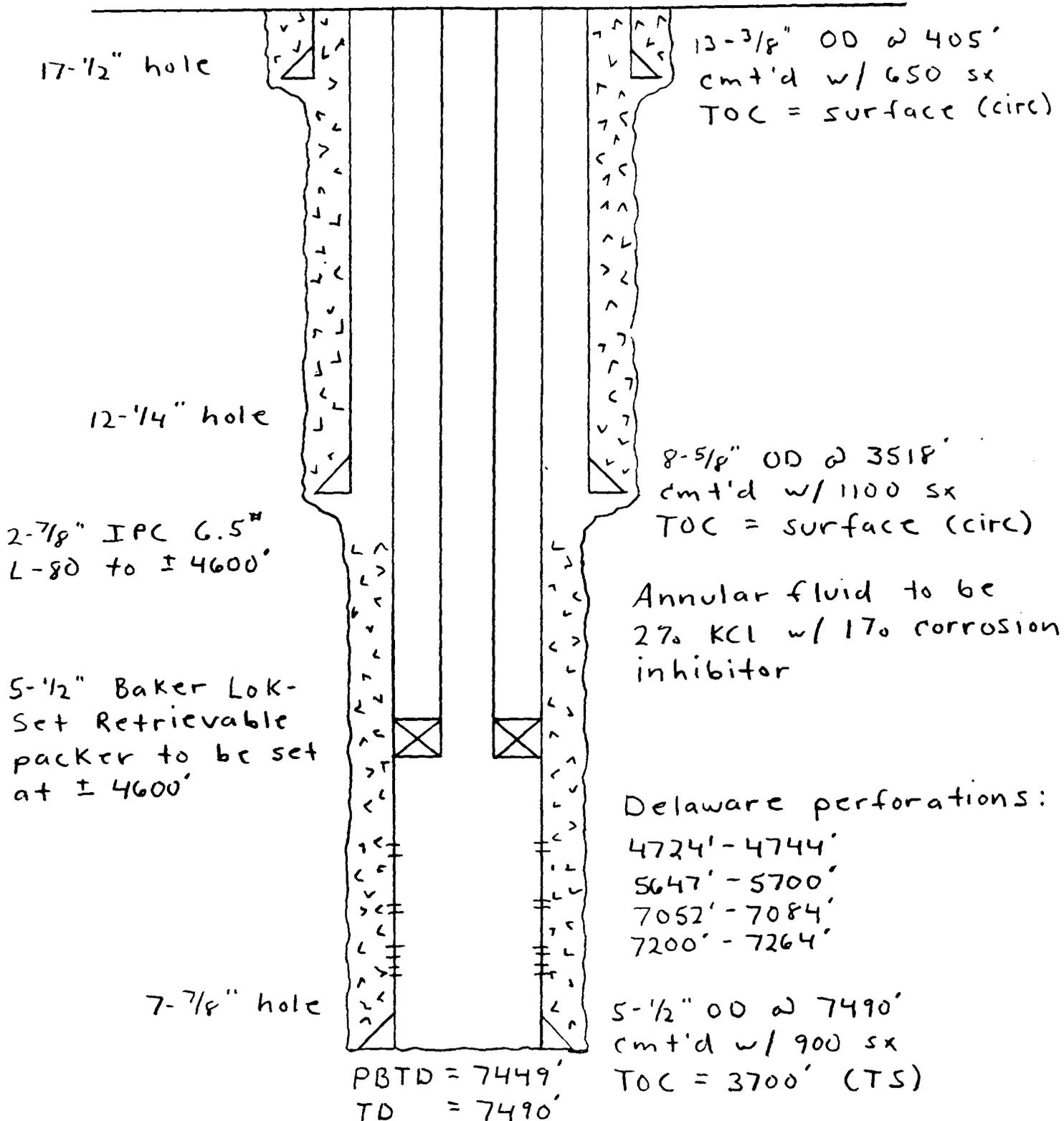
James A No. 3

Proposed Water Injection Well

1980' FSL & 1980' FWL

Section 1, T-22-S, R-30-E

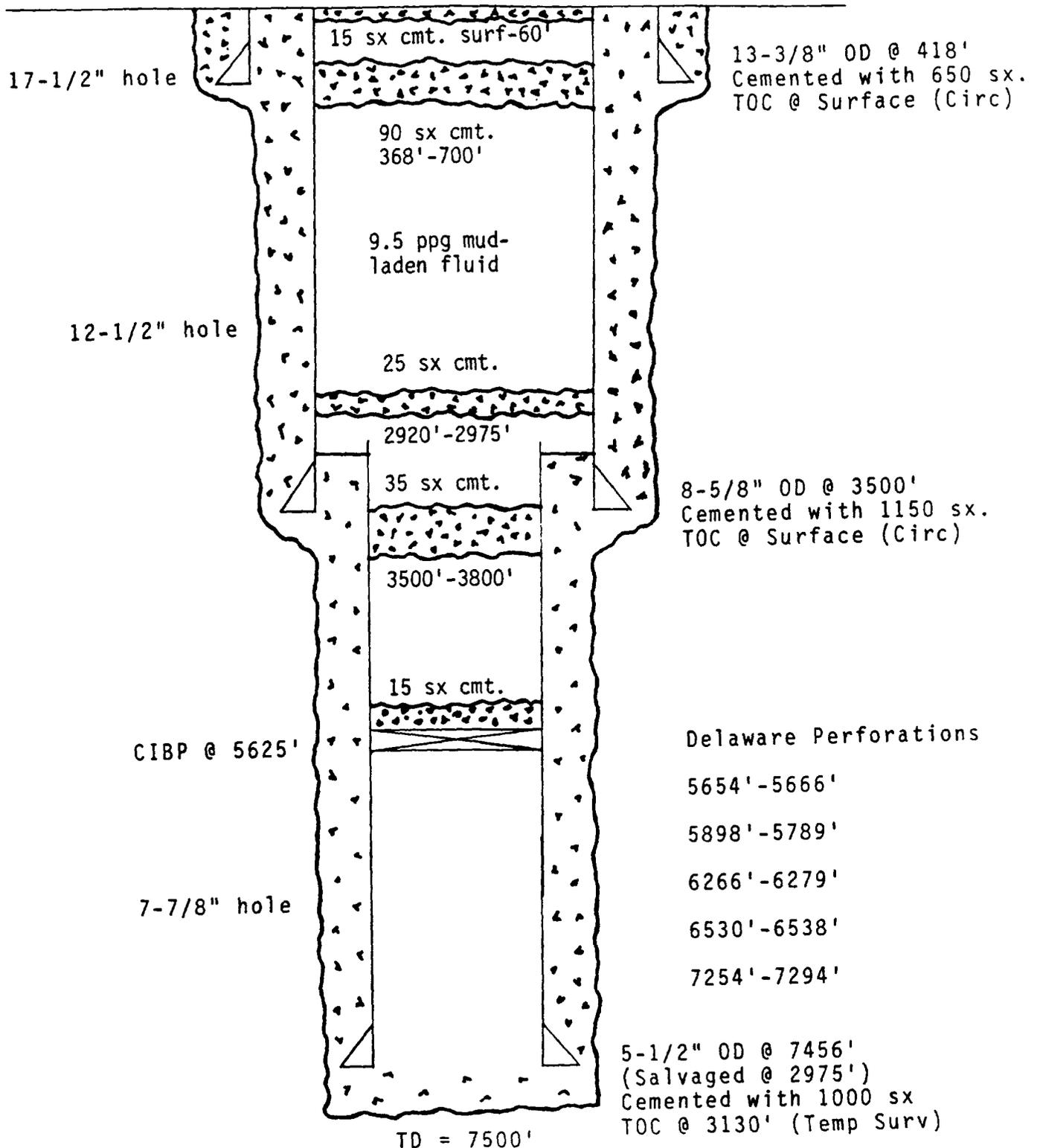
Eddy County, New Mexico

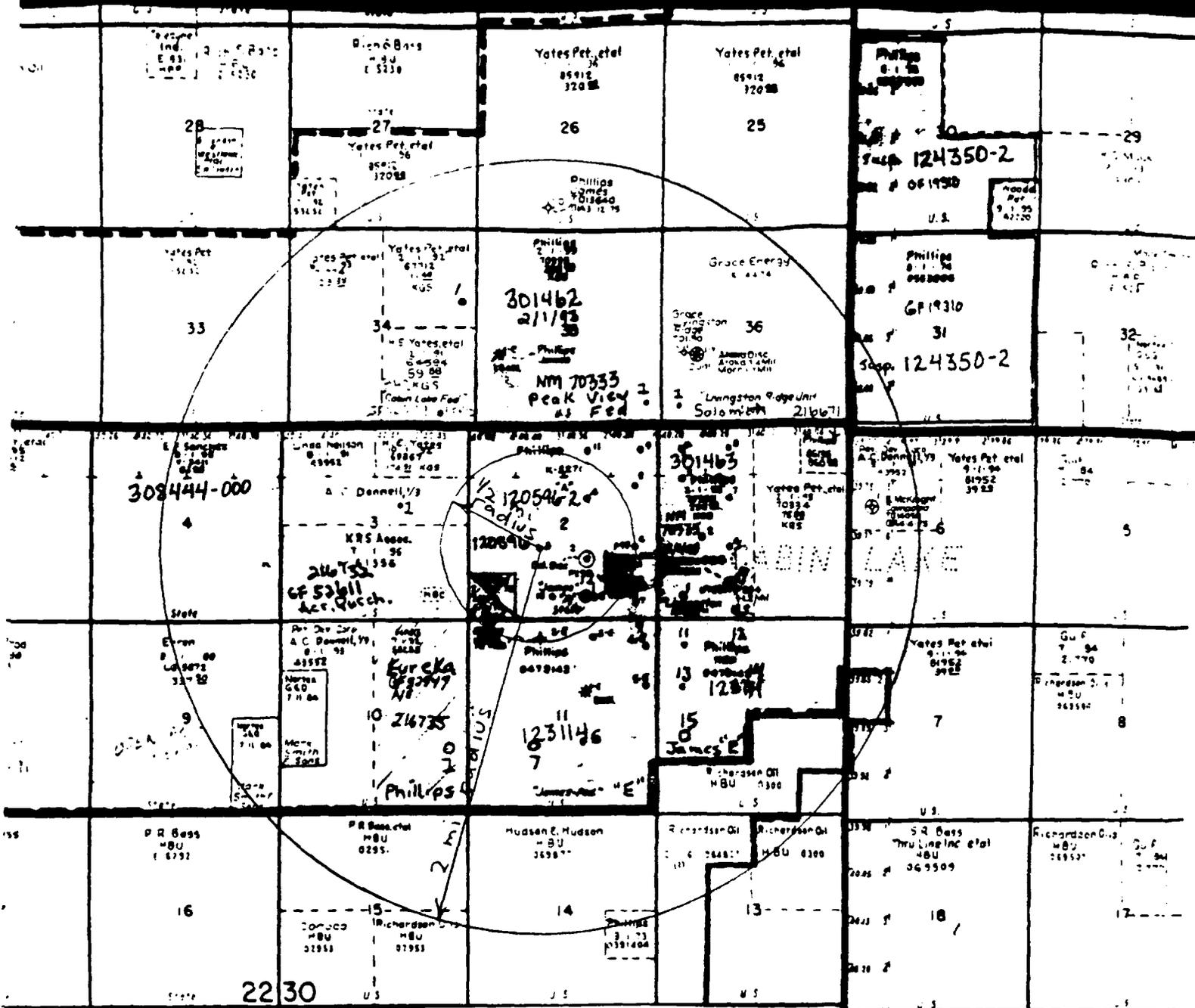


# ATTACHMENT NO. 2

PHILLIPS PETROLEUM COMPANY

James "E" No. 2 (P&A)  
 535' FNL & 2080' FWL  
 Section 11, T22S, R30E  
 Eddy County, New Mexico





**2 MILE RADIUS  
OF PROPOSED WATER INJECTION**

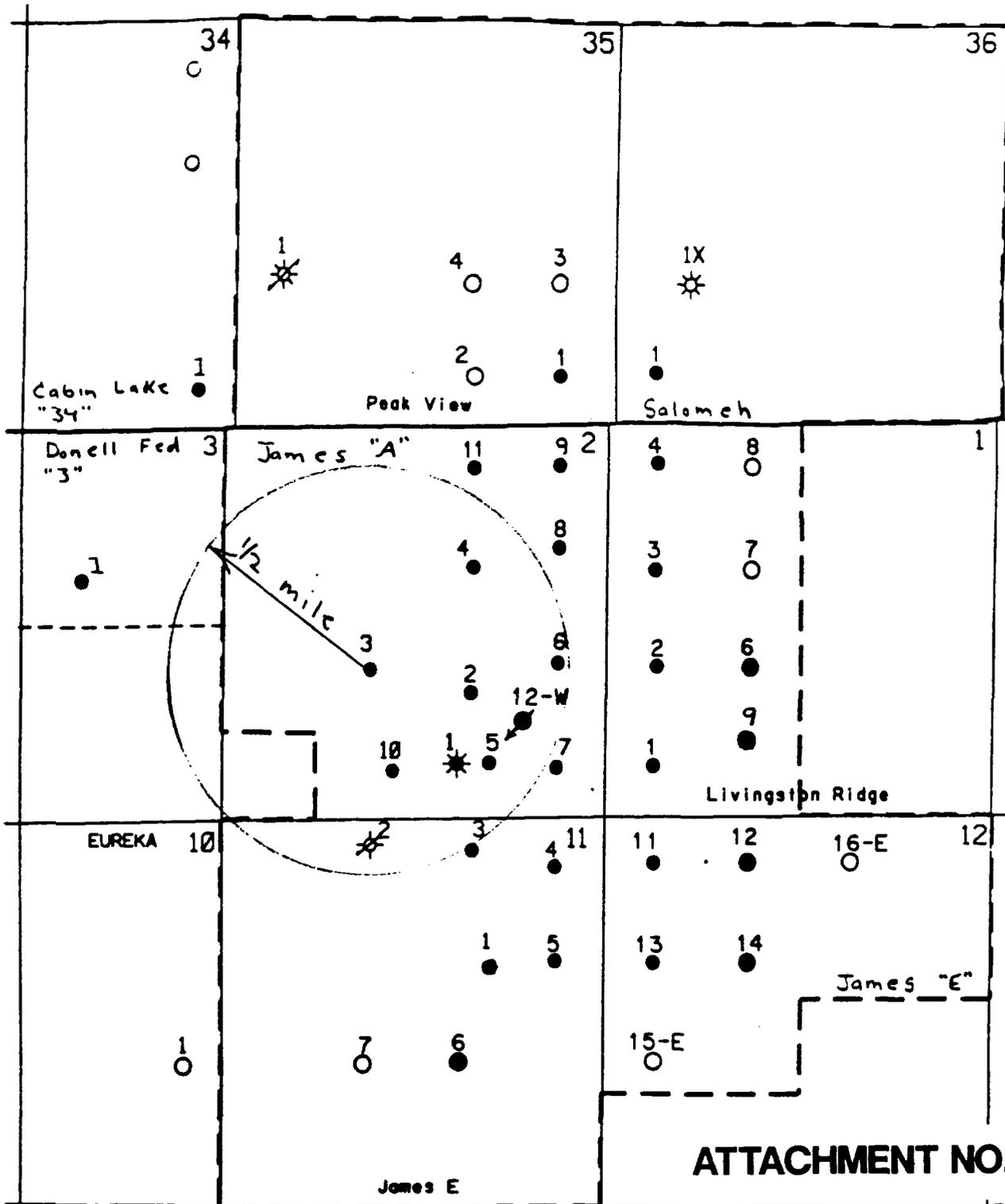
**PHILLIPS PETROLEUM COMPANY**

**JAMES A NO. 3**

R-30-E

T  
21  
S

T  
22  
S



**ATTACHMENT NO. 4**

**1/2 MILE AREA OF REVIEW**

**PROPOSED WATER INJECTION WELL**

**JAMES A NO. 3**

**1980' FSL & 1980' FWL**

**SEC. 1, T-22-S, R-30-E**

**EDDY COUNTY, NEW MEXICO**

PHILLIPS PETROLEUM COMPANY PERMAN BASIN GEOLOGY			
CABIN LAKE FIELD			
T-21, 22-S, R-30-E			
EDDY CO., NEW MEXICO			
LOCATION MAP			
DATE: 1-1-90	BY: D.L. WHITE	DATE: 7-90	
DRAWN BY: R. COSSIN			

# Affidavit of Publication

No. 14221

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of

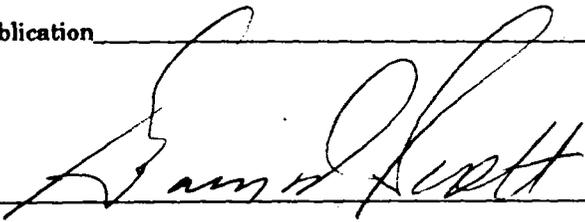
the state of New Mexico for 1 consecutive weeks on the same day as follows:

First Publication February 12, 1993

Second Publication \_\_\_\_\_

Third Publication \_\_\_\_\_

Fourth Publication \_\_\_\_\_



Subscribed and sworn to before me this 12th day of February 19 93



Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1996

# Copy of Publication

## LEGAL NOTICE

Notice is hereby given of the application of Phillips Petroleum Company, 4001 Peabrook Street, Odessa, Texas, 79762, Attention L. M. Sanders, 915/368-1488, to the Oil Conservation Division, New Mexico Energy and Mineral Department, for approval of the following injection well authorization for the purpose of salt water disposal:  
Well Name: James A. Well

Location: 2000 feet from the north line and 1900 feet from the west line of Sec. 2, T22N, R10E, Eddy County, New Mexico.  
The proposed formation is Dakota at a depth of 4724' - 7264' below the surface of the ground.  
Proposed maximum injection rate is 1000 bbls water per day and estimated maximum injection pressure is 1000 pounds per square inch.  
Interested parties must file objections or requests for hearing with the Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico, 87501 within 15 days.  
Published in the Artesia Daily Press, Artesia, N.M., February 12, 1993.

Received

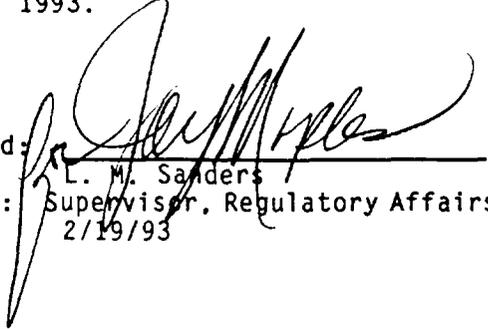
FEB 17 1993

P.B.R. Regulatory Section

ATTACHMENT NO. 5

NOTIFICATION

I hereby certify that a complete copy of this application was sent by certified mail to the below listed persons on February 19, 1993.

Signed:   
Name: L. M. Sanders  
Title: Supervisor, Regulatory Affairs  
Date: 2/19/93

OFFSET OPERATOR

Yates, Harvey E. Company (HEYCO)  
P. O. Box 1933  
Roswell, NM 88202

SURFACE OWNER

State of New Mexico Commission  
of Public Lands  
P. O. Box 1148  
Santa Fe, NM 87501

AF:ehg  
02-18-93  
RegPro:AFran:Crtifcn.Not

<u>OPERATOR</u>	<u>WELL NAME</u>	<u>LOCATION</u>	<u>DATE SPUNDED (ORIG. INTENT)</u>	<u>PRESENT TD ORIGINAL ID</u>	<u>SURFACE CASING SIZE</u>	<u>DEPTH</u>	<u>CEMENT</u>	<u>SIZE</u>	<u>PRODUCTION CASING DEPTH</u>	<u>CEMENT</u>	<u>PRODUCING PERFORATIONS (ZONE)</u>
Phillips Petroleum Company	James "A" 10	660' FSL & 2310' FWL Sec. 2, T-22-S, R-30-E Eddy County, NM	05-08-90 (o11)	7,426' 7,466'	13-3/8"	408'	900 sx	5-1/2"	7,466' (TOC @ 3720')	1000 sx	5974'-7273' (Delaware)
	James "A" 12W	1250' FSL & 1150' FEL Sec. 2, T-22-S, R-30-E Eddy County, NM	09-28-91 (WI)	7,450' 7,510'	13-3/8"	395'	800 sx	5-1/2"	7,510' (TOC @ 1590' TS)	1100 sx	5388-7408' (WI in Delaware)
	James "E" 2	535' FNL & 2080' FWL Sec. 11, T-22-S, R-30-E Eddy County, NM	06-02-87 (o11)	0' 7,500'	13-3/8"	418'	650 sx	5-1/2"	7,456' (TOC @ 3130' TS)	1000 sx	P&A'd (Attach No.2)
	James "E" 3	500' FNL & 1800' FEL Sec. 11, T-22-S, R-30-E Eddy County, NM	01-08-90 (o11)	7,450' 7,498'	13-3/8"	400'	800 sx	5-1/2"	7,498' (TOC @ 2630' TS)	1000 sx	7079'-7328' (Delaware)

JHarg:ehg  
02-02-93

Resv:JHarg:JamesA3.WI

PHILLIPS PETROLEUM COMPANY  
 JAMES "A" WELL NO. 3  
 PROPOSED WATER INJECTION WELL

VI. WELLS WITHIN THE AREA OF REVIEW

<u>OPERATOR</u>	<u>WELL NAME</u>	<u>LOCATION</u>	<u>DATE SPUNDED (ORIG. INTENT)</u>	<u>PRESENT TD ORIGINAL TD</u>	<u>SIZE</u>	<u>SURFACE CASING DEPTH</u>	<u>CEMENT</u>	<u>SIZE</u>	<u>PRODUCTION CASING DEPTH</u>	<u>CEMENT</u>	<u>PRODUCING PERFORATIONS (ZONE)</u>
Phillips Petroleum Company	James "A" 1	665' FSL & 2006' FEL Sec. 2, T-22-S, R-30-E Eddy County, NM	06-13-66 (oil)	13,530' 14,923'	20"	405'	650 sx	5-1/2"	14,570' (TOC @ 3200' TS)	600 sx	12,155' - 12,167' (Strawn)
	James "A" 2	1652' FSL & 1980' FEL Sec. 2, T-22-S, R-30-E Eddy County, NM	12-20-86 (oil)	5,954' 6,000'	13-3/8"	400'	600 sx	5-1/2"	6,000' (TOC @ 3126' TS)	550 sx	5625' - 5940' (Delaware)
	James "A" 4	1980' FNL & 1980' FEL Sec. 2, T-22-S, R-30-E Eddy County, NM	07-09-87 (oil)	7,286' 7,480'	13-3/8"	410'	650 sx	5-1/2"	7,480' (TOC @ 3750' TS)	1000 sx	5529' - 6241' (Delaware)
	James "A" 5	660' FSL & 1800' FEL Sec. 2, T-22-S, R-30-E Eddy County, NM	08-20-88 (oil)	6,238' 6,258'	13-3/8"	410'	600 sx	5-1/2"	6,258' (TOC @ 2200' TS)	675 sx	5627' - 5666' (Delaware)
	James "A" 6	1980' FSL & 660' FEL Sec. 2, T-22-S, R-30-E Eddy County, NM	12-17-88 (oil)	7,557' 7,600'	13-3/8"	410'	725 sx	5-1/2"	7,600' (TOC @ 1490' TS)	1300 sx	5679' - 7330' (Delaware)

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 10288  
Order No. R-9500

APPLICATION OF PHILLIPS PETROLEUM  
COMPANY FOR A PRESSURE MAINTENANCE  
PROJECT, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on April 18, 1991, at Santa Fe, New Mexico, before Examiner Jim Morrow.

NOW, on this 6th day of May, 1991, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Phillips Petroleum Company (Phillips), seeks authority to institute a pressure maintenance project on its James "A" State Lease underlying Lots 1 through 4, S/2 N/2, N/2 SW/4, S/4 SW/4 and SE/4 of Section 2, Township 22 South, Range 30 East, NMPM, Eddy County, New Mexico, by the injection of water into the Cabin Lake-Delaware Pool, through a perforated interval from approximately 5600 feet to 7400 feet in a well to be drilled 1250 feet from the South line and 1150 feet from the East line (Unit P) of said Section 2. Applicant further seeks a special oil producing allowable whereby any well in the project area could produce its ability and would not be subject to the depth bracket allowable for said pool.

(3) Phillips is the current operator of the James "A" State Lease. It contains approximately 600 acres and is developed with 10 Delaware oil producing wells. Development began in 1986. Reservoir pressure has not reached the advanced or "stripper" stage of depletion.

(4) Phillips is requesting pressure maintenance status for the entire lease. Initially they plan a pilot project in the SE/4 of Section 2 using an inverted 40-acre five-spot pattern with a single injection well at the location set out in Finding No. (2) above. They are requesting approval to expand the project administratively.

(5) The proposed injection well would be used to inject up to 2000 barrels of water per day into the oil productive portions of the Cherry Canyon and Brushy Canyon intervals of the Delaware formation from approximately 5600 feet to 7400 feet. An average injection pressure of 500 psi is expected. Maximum injection pressure of 0.2 psi per foot (1120 psi) is being requested. Form C-108 submitted by Phillips indicates that all OCD requirements would be met.

(6) Produced water from Phillips' producing leases in the area would be the initial source of injection water.

(7) To maintain reservoir pressure, approximately 1.2 barrels of water would be injected for each barrel of fluid withdrawn from the reservoirs.

(8) Phillips' witness testified that the pilot project is expected to recover 124,000 barrels more oil than would be recovered by primary depletion.

(9) At the hearing, a project allowable for the pilot area equal to top allowable for the four wells to be affected (Wells Nos. 2, 5, 6 and 7) was requested.

(10) The project should be approved and should be designated the James "A" State Pressure Maintenance Project.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Phillips Petroleum Company, is hereby authorized to institute a pressure maintenance project on its James "A" State Lease, underlying Lots 1 through 4, S/2 N/2, N/2 SW/4, SE/4 SW/4 and the SE/4 of Section 2, Township 22 South, Range 30 East, NMPM, Eddy County, New Mexico, by the injection of water into the Delaware formation, Cabin Lake-Delaware Pool, through a perforated interval from approximately 5600 feet to 7400 feet in a well to be drilled 1250 feet from the South line and 1150 feet from the East line (Unit P) of said Section 2.

(2) The project is hereby designated the James "A" State Pressure Maintenance Project.

(3) The project allowable for the pilot project in the SE/4 of Section 2 shall be 4 x 107 or 428 barrels per day which is equal to top allowable for the four producing wells (Nos. 2, 5, 6 and 7) and may be produced by any well or combination of wells within the pilot project area.

(4) As the project is expanded, administrative approval for additional allowable may be granted by the Division Director upon receipt of an application explaining the reasons additional allowable should be assigned. Notice of an application to increase allowable shall be provided to each leasehold operator within one-half mile of the project.

(5) 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.

(6) Injection into the proposed injection well shall be accomplished through 2 7/8-inch internally plastic-lined tubing installed in a packer set approximately within 100 feet of the uppermost injection perforation; the casing-tubing annulus shall be filled with an inert fluid and a gauge or approved leak detection device shall be attached to the annulus in order to determine leakage in the casing, tubing or packer.

(7) The injection well or system shall be equipped to limit the surface injection pressure to no more than 1120 psi.

(8) The Division Director shall have the authority to administratively authorize a pressure limitation in excess of the above upon a showing by the operator that such higher pressure will not result in migration of waters from the Cabin-Lake Delaware Pool.

(9) Prior to commencing injection operations into the injection well, the casing shall be pressure tested throughout the interval from the surface down to the proposed packer setting depth, to assure the integrity of the casing.

(10) The operator shall give advance notification to the supervisor of the Artesia district office of the Division of the date and time of the installation of injection equipment, of the mechanical integrity pressure test, and of any injection well remedial work so that these operations may be witnessed.

(11) The operator shall immediately notify the supervisor of the Division's Artesia district office of the failure of the tubing, casing, or packer in the injection well, the leakage of water or oil from or around any producing well, or the leakage of water or oil from or around any plugged and abandoned well within the project area and shall take such steps as may be timely and necessary to correct such failure or leakage.

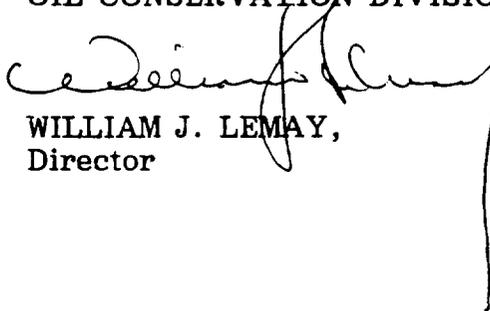
Case No. 10288  
Order No. R-9500  
Page 4

(12) The applicant shall conduct injection operations in accordance with Division Rule Nos. 701 and 708 and shall submit monthly progress reports in accordance with Division Rule Nos. 706 and 1115.

(13) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY,  
Director

S E A L

dr/