STATE OF NEW MEXICO

THE STATE OF THE S

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

ADMINISTRATIVE ORDER NO. SWD-472

APPLICATION OF TEXACO EXPLORATION & PRODUCTION, INC.



ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

OIL CON. DIV

Under the provisions of Rule 701(B), Texaco Exploration & Production, Inc. made application to the New Mexico Oil Conservation Division on March 23, 1992, for permission to complete for salt water disposal its H.J. Loe Federal B No. 2 located in Unit G of Section 23, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations.
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified; and
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met.
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

(1) The applicant herein, Texaco Exploration & Production, Inc. is hereby authorized to complete its H.J. Loe Federal B No. 2 located in Unit G of Section 23, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the injection of salt water for disposal purposes into the Mesa Verde formation at approximately 3250 feet to approximately 4200 feet through 2 3/8 inch plastic lined tubing set in a packer located at approximately 3150 feet.

Administrative Order No. SWD-472
Texaco Exploration & Production, Inc.
April 9, 1992
Page 2

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.

Prior to commencing injection operations into the well, the casing shall be pressure tested to 1000 psi from the surface to the packer setting depth to assure the integrity of said casing.

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.

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 650 psi.

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 Mesa Verde formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Aztec district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test, so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Aztec district office of the Division of the failure of the tubing, casing or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.



STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

GARREY CARRETHERS
GOVERNOR

1000 NIO BRAZOS ROAD AZIEC, REW MEXICO 87410 (505) 334-8178

ATTN: DAULD CATANACH

Date: 4-6-92

Oll Conservation Division P.O. Box 2088 Santa Fe, NM 87504-2088

Re: Proposed MC______
Proposed DHC_____
Proposed NSL____
Proposed SWD_X___
Proposed WFX_____
Proposed PMX_____

Gentlemen:

2 7 5 5 2
I have examined the application dated 3-30-92
for the Texaco EFF INC. H.J. LOE FEDERAL X9 TT -
(-23-29N-12W and my recommendations are as follows:
1 AK BUIL (a) \$ 300 Keyes
THE PARTED CASENG TO ENSURE THAT PLUC WILL NOT ALLOW COMMUNICATION
Phec with NOT ALLOW COMMUNECUTION
1. 1 5 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Of MAXIMUM POSSIBLE INJECTION PRESS PUN CBL PRIOR TO CASING TEINSING Yours truly, JUG TEST
Tyrine Busch

OIL CONSERVATION DIVISION MOST CHICE BUX SOME STATE LAND OFFICE BUILDING SANTA FE. NEW MERICO 9/901

		AUTHORY ZATION	TΠ	INTECT
APPL CATION	101	AUTHORIZATION	10	1.1020.

APPL'L	MIJUN LUK WA	
ı.	Purpose: Applica	Secondary Recovery Pressure Maintenance Disposel Storage tion qualifies for administrative approval? yes no
11.	Operator:	Texaco E & P Inc.
•••	Address:	3300 N. Butler Farmington, NM 87401
		rty:Ted A. Tipton Phone:505-325-4397
111.	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 If yes, gi	expansion of an existing project? yes X no yes yes yes yes
		vithin two miles of any proposed

- 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.
- 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 VI. well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- Attach data on the proposed operation, including: VII.
 - 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.).
- Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to ·VIII. 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.
 - Describe the proposed stimulation program, if any. IX.
- Attach appropriate logging and test data on the well. (If well logs have been filed Χ. with the Division they need not be resubmitted.)
- Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one male of any injection or disposal well showing XI. location of wells and dates samples were taken.
 - 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 XII. or any other hydrologic connection between the disposal zone and any underground source of drinking water.
- Applicants must complete the "Proof of Votice" section on the reverse side of this form. XIII.
- Certification XIV.

I hereby certify that the	information	submitted.	with this	s appli	cation i	s true	and	correct
to the best of my knowledg	je and belief	•			Manage			

to the best of my knowledge and belief. Name: Ted A. Tipton	Title Area Manager
Signature:	Date:

WELL DATA

H. J. Loe Federal B LEASE NAME: T 29 N, R 12 W, Section 23 LOCATION: 1850' FNL & 2310' FEL

Unit Letter G

San Juan County, New Mexico

Production Surface CASING DATA: 5.5" 13.375" Size 6408'

289' Set At 14 & 15.5 # 48 # Weight 7.875" 17.25" Hole Size 1st 400 sx 300 sx Cement 2nd 150 sx

1st 4900' (calc) Surf (circ) TOC 2nd 1350' (calc)

TUBING DATA:

2 3/8" Size 32201 Set At 4 # Weight **J-**55 Grade

PACKER DATA:

Guiberson Name Uni-6 Model 32201 Set At

Formation/Field, Pool:

Mesa Verde/Undesignated

Injection Interval:

3250'-3400', 4000'-4200'

Perforations

4 JSPF, .5 EHD

Original Purpose of Well:

Well was originally drilled and completed in the Dakota formation on June 24, 1960.

Dakota Perforations

& PBTD:

6170'-6278', Abandoned using 1 CIBP @ 6150', 120 sx cement (4557'-3626'), 1 CIBP @ 3204', 50 sx cement plug (3190'-3122'), 60 sx cement plug (1850'-2368')

Pictured Cliffs Perforations:

1703'-1715', 1722'-1730'(open)

Will squeeze using 35 sx cement and pressure test

to 1000 psi.

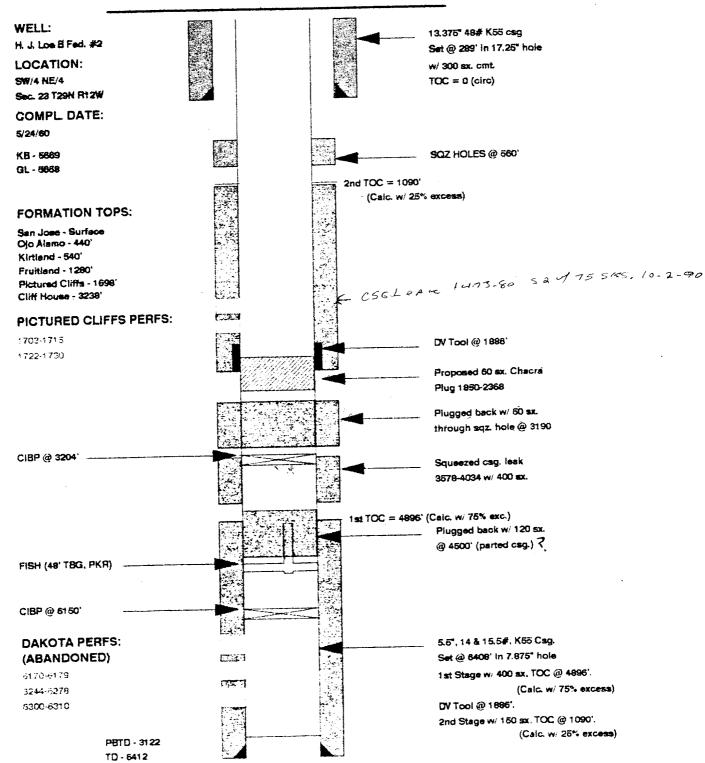
Productive Intervals:

(recompletion)

511'-1698' Fruitland Coal 1698'-1855' Pictured Cliffs 6170'-6310' Dakota

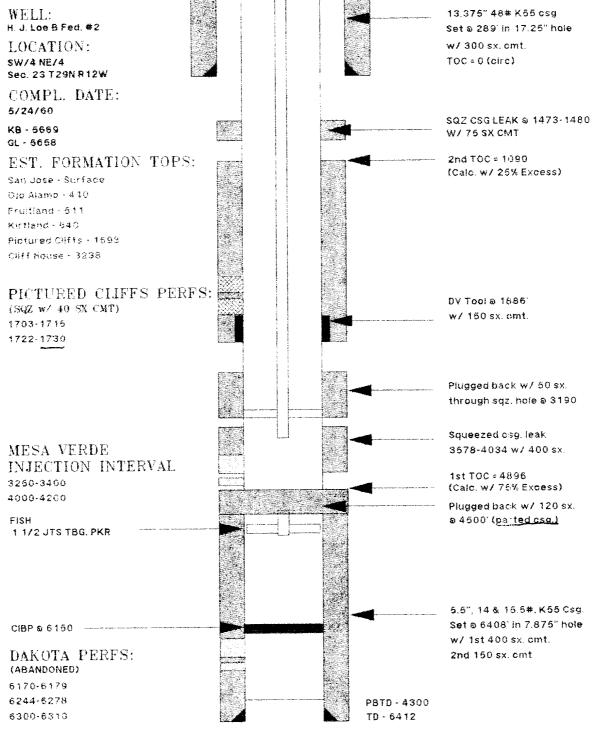


H. J. LOE FEDERAL B No. 2 CURRENT COMPLETION





H J LOE B FED. No. 2 PROPOSED INJECTION SCHEMATIC



CRAWFORD GAS COM B - 001 AMOCO MESA **REID - 001** GALLEGOS CANYON UNIT - 145 SUBJECT WELL HJLOE FEDERAL - 002 TREE DRILLING AMOCO HARDIE - 062 HJLOE FEDERAL - 003E H.J. LOE B FEDERAL LEASE & OFFSETS T 29 N - R 12 W H J LOE FEDERAL - 002R 1/2 MILE 23 HJLOE FEDERAL - 005 HARDIE F - 001 MERIDIAN H J LOE FEDERAL - 003 H J LOE FEDERAL - 002E GALLEGOS CANYON UNIT - 145E AMOCO R&E DRILLING HARDIE - 068 GALLEGOS CANYON UNIT - 150 MONCRIEF FEDERAL - 001 UNION OIL CO. AMOCO



OFFSET WELLS WITH AREA OF REVIEW

H. J. LOE FEDERAL B No. 2E WELL NAME:

1700' FNL & 1050' FWL LOCATION:

UNIT LETTER "E" SEC 23 T29N-R12W

OCTOBER 18, 1980 SPUD DATE:

DECEMBER 31,1980 COMPL DATE:

TOC SET @ HOLE SIZE 501' 12 1/4" CEMENT SIZE WEIGHT 450 SX (CIRC) SURF CASING: 8 5/8" 24 1350 SX (1ST) SURF

10.5 6340' 7 7/8" 1200 SX (2ND) 3170 4 1/2" DV @ 3170'

(cement volumes calculated using 33% excess annular volume)

6340′

TD: 6312' PBTD:

COMPLETION:

DAKOTA FORMATION:

6188'-6290' W/ 1 JSPF INTERVAL:

2000 GAL ACID STIMULATION:

125,000 # 20/40 SAND 94,000 GAL FRAC FLUID

WELL NAME: H. J. LOE FEDERAL B No. 2R

1650' FNL & 2210' FEL LOCATION:

UNIT LETTER "G" SEC 23 T29N-R12W

SPUD DATE: OCTOBER 28, 1976 DECEMBER 31,1976 COMPL DATE:

SIZE WEIGHT SET @ HOLE SIZE CEMENT TOC 150 SX (CIRC) SURF CASING:

11" 298**′** 8 5/8" 24 625 SX (1ST) 2307' 15.5 6358' 7 7/8" 5 1/2"

DV @ 3166'(DV DID NOT OPEN) 0 SX (2ND)

(cement volumes calculated using 50% excess annular volume)

6358′ TD: 6320' PBTD:

COMPLETION:

FORMATION: DAKOTA

6174'-6312' INTERVAL:

130,000 # 20/40 SAND STIMULATION:

121,500 GAL FRAC FLUID

350 scf CO2

OFFSET WELLS WITH AREA OF REVIEW

H. J. LOE FEDERAL B No. 1 WELL NAME:

990' FNL & 990' FEL LOCATION:

UNIT LETTER "A" SEC 23 T29N-R12W

SPUD DATE: DECEMBER 9, 1959 DECEMBER 13,1959 COMPL DATE:

HOLE SIZE CEMENT
11" 250 SX (SIZE WEIGHT SET @ TOC CASING: 250 SX (CIRC) SURF 8 5/8" 24 207'

4 1/2" 9.5 1775' 6 3/4" 200 SX

(cement volumes calculated using 33% excess annular volume)

1775*'* TD: 1761' PBTD:

COMPLETION:

FORMATION: PICTURED CLIFFS
INTERVAL: 1730/-1748/

1730'-1748' INTERVAL:

STIMULATION: N/A

ABANDONMENT CONDITIONS

10 SX CMT PLUG-SURFACE

25 SX CMT PLUG-PICTURED CLIFFS

(SEE WELLBORE DIAGRAM)

1st Stage: Cmt to DV Tool

2nd Stage: Cmt to Surface



H. J. LOE FEDERAL B No. 2E CURRENT COMPLETION

WELL:
H. J. Loe Fed B No. 2E
LOCATION:
Unit E, 1700' FNL & 1050' FWL
Sec. 23, T29N, R12W
San Juan County

Spud Date: 10/18/80

COMPL. DATE: 5/24/50

8.625", 24#, K55 Csg. Set a 501' in 12.25" hole w/ 450 sx. cmt. TOC = 0 (circ) ____ DV Tool a 3170' 2-3/8" Tubing a 6291' 4,5", 10,5#, K55 Csg. Set 9 6340' in 7.875" hole w/ 1350 sx. cmt. TOC = 0 (Circ.)

DAKOTA PERFS:

505

PBTD - 6312'



H. J. LOE FEDERAL B No. 2R CURRENT COMPLETION

WELL:

H. J. Los Federal B No. 2R

LOCATION:

Unit G, 1650' FNL & 2210' FEL

Sec. 28, T29N, R12W

Sen Juan County

SPUD DATE:

10/28/76

COMPL DATE:

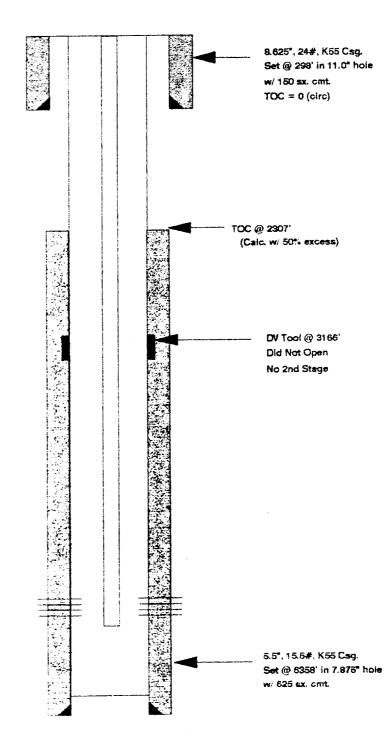
12/19/76

FORMATION TOPS:

Fruitland 1338'
Pictured Cliffs 1708'
Checre 2890'
Mess Verde 3240'
Mencos 4458'
Dakota 6173'

DAKOTA PERFS:

PBTD - 6320'





H. J. LOE FEDERAL B No.1 PLUGGED & ABANDONED

WELL:

H. J. LOE FEDERAL 8 No. 1

LOCATION:

Unit A, \$90' FNL & 990' FEL Sec. 23, T29N, R12W San Juan County

SPUD DATE:

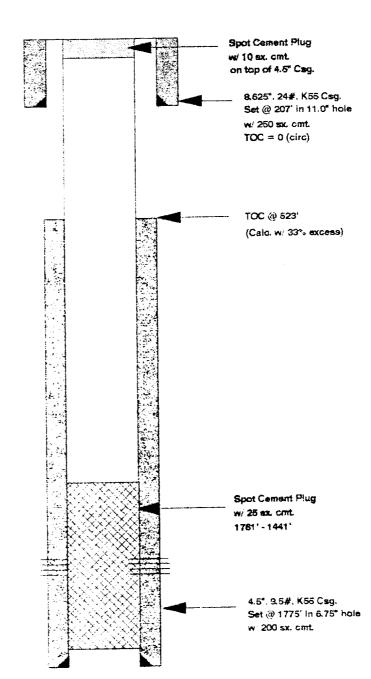
12/09/59

COMPL DATE:

12/13/59

PLUGGED & ABANDONED:

12/13/59



PERFORATIONS:

PBTD - 1761'

Attach data on the proposed operation, including: VII.

Proposed average and maximum daily rate and volume of fluid to 1. be injected daily.

Primary source of water will come from the fruitland coal development on the Loe lease. Secondary water may be truck in from neighboring leases. Average daily injection is anticipated to be 200 BPD, with a maximum volume expected not to exceed 1000 BPD.

Whether the system is open or closed. 2.

The system will be a closed injection system. The primary source of water will be from Fruitland coal wells on the Loe lease, with the capabilities of trucking in water from neighboring leases.

Proposed average and maximum injection pressure. 3.

After the interval is completed a Step Rate Test will be performed to determine the formation parting pressure. The injection pressure is not expected to exceed 1800 psi. The initial surface

Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than 4. reinjected produced water.

The primary source of injection water will be from the Fruitland coal Water from other conventional formations may also be formation. Enclosed are water analysis from the Fruitland coal, obtained during drilling operations on the Loe lease, and a Mesa Verde The fluids appear to be compatible, and exhibit no water sample. traits that would pose any operational or environmental problems.

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 5. of the disposal zone formation water.

Attached

Company: TEXACO EXPL. AND PROD.	
County: SAN JUAN	Field: SAN JUAN
State: NM	Location: 27-5
Lab #: 1	Formation: MV
Date: 12/19/90	Depth: 0

Unichem Intl.	Water	Analysis	Report
Omone-	3 8 4 5 3	unanan bahkatan kecalai J	

	mg/L	meq/L		mg/L	meq/L
Sum +	0.0	0.00	Sulfate	58.3	1.21
otassium	1,810.0	78.73	Chloride	2,400.0	67. 70
Sodium	11.8	0.59	Carbonate	0.0	0.00
Calcium	2.5	0.21	Bicarbonate	659.0	10.80
Magnesium	0.0	0.00	Hydroxide	0.0	0.00
iron Barium	10.0	0.15	-	0.0	0.00
Strontium	0.0	0.00	-	<u>0.0</u>	0.00
CATIONS	1,834.3	79.68	ANIONS	3,117.3	79.71
Solids					
	d Solids @180	C		4,946	mg/L
	alculated less c			4,622	mg/L
Total Solids, c				4,952	mg/L
	laCl equivalent	s		4,485	mg/L
System Co					
System Operat					Normal
Sample Tempe				90	
Sample pH, st				7.2	Units
Dissolved					
Dissolved Oxy	/gen				ppm
Carbon Dioxid					mg/L
Total Sulfide.					mg/L
Sulfide Ion. (mg/L
	drog en S ulfide.	(TS S)		()	mg/L
Other Pro	perties				
Specific Grave	ity, measured			1.0040	
Specific Grav				1.0037	b 22
Resistivity, m				0	ohm/m ³
lonic strength				0.081	
Microbiol	ogical				
Sulfate Reduc	ing Bacteria			nd ,	
Aerobie Bacte	:na			nd	
Water An	alysis Patt	ern			

Company: TEXACO EXPL. AND PROD.	
County: SAN JUAN	Field: BASIN FRUITLAND
· · · · · · · · · · · · · · · · · · ·	Location: H-J-LOE FED B #5
State: NM	Formation: FRUITLAND COAL
Lab #: 1	
Date: 12/19/90	Depth: 0

Unichem Intl. Water Analysis Report

2. 일보하는 경우 (1) 1921년 - 10 2021년			<u>Sum –</u>	<u>mg/L</u>	meq/L
ium +	mg/L	meq/L	Sulfate	0.0	0.00
otassium	0.0	0.00 458.29	Chloride	16,330.0	460.61
odium	10,536.0		Carbonate	0.0	0.00
Calcium	416.0	20.76	Bicarbonate	1,952.0	31.99
Magnesium	165.0	13.57	Hydroxide	0.0	0.00
ron	0.0	0.00	-	0.0	0.00
Barium	0.0	0.00	_	0.0	0.00
Strontium	0.0	0.00	ANIONS	18,282.0	492.60
CATIONS	11,117.0	492.62	AMONG	10,2021	
Solids				20 110	ma/I
	ed Solids @180			28,118 28,423	_
	calculated less o	arbonate		29,399	_
Total Solids,				27,889	_
	NaCl equivalent	ts		21,009	mg, D
System C	onditions				
System Opera				20	Normal
Sample Temp	erature, 'F			90	
	tandard units			7.43	Units
Dissolve	l Gases				
Dissolved Ox					ppm
Carbon Diox					mg/L
Total Sulfide					mg/L
Sulfide Ion.					mg/L
	drogen Sulfide	(TS-S)		()	mg/L
Other Pro	_				
	vity, measured			1.0200	
	vity, calculated			1.0206	
Resistivity, r					ohm/m ³
Ionic strengt				0.510	
Microbio					
	eing Bacteria			nd	
Aerobic Bact				nd	
Water A	nalysis Patt	ern			

Approved: T.J. MOORE

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 one concentrations of 10,000 mg/l or less) overlying the proposed injection as well as any such source known to be immediately underlying the injection interval.

The proposed injection interval for the subject well are sandstones within the Mesa Verde Group. The Mesa Verde Group is Createous in age. The sandstone intervals vary in thickness from 10 feet to 100 feet. These Mesa Verde intervals are composed of fine grained, angular, highly cemented sands with an average porosity of 12 percent. Typically these sandstones are interrupted by layers of shale and coal. The known fresh water zones for this area of the San Juan Basin are the Nacimiento, and the Ojo Alamo formations. The Nacimiento sandstone is at its surface outcrop. The Ojo Alamo is found at approximately 400 feet. There are no known aquifers underlying the Mesa Verde Group that would be considered as "fresh" (less than 10,000 mg/l).

Describe the proposed stimulation program, if any. IX.

The Mesa Verde interval will be perforated between 3250'-3400', and 4000'-4200'. This interval will be tested for injectivity and evaluated. At this time it will be determined if fracture stimulation is necessary. If the Mesa Verde is fractured the job will be performed using a linear gel system, and an estimated 250,000 pounds of propant.

X.

Attach appropriate logging and test data on the well.

Electric well logs were submitted upon the initial completion of the well (Schlumberger Induction Log 6402'-287'). A CBL-VDL will be run prior to the Mesa Verde completion.

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

Inquires to the State Engineer/ Water Rights Bureau on January 16, 1992 indicate no fresh water wells are located within one mile of the proposed injection well.

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

The Mesa Verde interval is a complex formation comprised of sand, shale, and coal layers. The formation is bordered above by the Lewis Shale, and below by the Mancos Shale. These formation can be considered virtually impermeable to vertical flow under the existing overburden pressure. The known fresh water zones for this area of the San Juan Basin are the Nacimiento, and the Ojo Alamo formations. Within the area of review for the proposed injection well, the Nacimiento sandstone is at its surface outcrop. The Ojo Alamo is found This sandstone is 100'-200' thick. at approximately 400 feet. Faulting or fracturing from the Mesa Verde interval to one of the fresh water formations would be highly uncommon, and highly improbable to occur in the San Juan Basin. Offsetting well records within the "area of review" indicate adequate cement isolation between the proposed injection interval and known sources of drinking water or producing There is no other evidence indicating a hydrological connection between the Mesa Verde interval and the known sources of drinking water.

XIII Applicants must complete the "Proof of Notice"... Texaco has run the following notice in the Farmington Daily Times:

Legal

LEGAL NOTICE PRODUCED days. WATER IN THE SUB-SURFACE

Federal B No. 2 to a water disposal well. The 10, 11 and 12, 1992. well is located in Sec 23. T29N, R12W at 1850' FNL & 3210' FEL, Unit Letter "G" of San Juan County, New Mexico. The proposed injection interval is within the Mesa Verde Group in the Cliff House and Point Lookout formations. (3250'-3400', 4000', 4200'). The average daily injection rate is inticipated to be 200 BWPD, with a maximum rate of 1000 BWPD. This been appointed Personal surface injection pressure is estimated to be at or below 1800 psi. Any questions regarding this notice should be ad- estate are required to dressed to Ted A. Tipton, Texaco Exploration and two months after the

Legal

Production Inc. 3300 N. 100, Ste Butler, Farmington, NM 87401. Interested parties must file objections or request for hearing with the Oil Conservation Division, PO Box 2088, Santa Fe. INTENT TO DISPOSE NM 87501 within 15

Legal No 28945 published in the Texaco Exploration Farmington Daily Times, and Production Inc. is re - Farmington, New Mexico questing approval to con- on Sunday, Monday, vert the H. J. Loe Tuesday and Federal B No. 2 to a Wednesday, February 9.

> IN THE DISTRICT COURT FOR SAN JUAN. COUNTY STATE OF NEW MEXICO IN THE MATTER OF THE ESTATE OF ORVILLE SCHERER, deceased. No. PB-92-7-3 NOTICE TO CREDITORS

Raymond L Hill has Representative of the Estate of Orville Scherer, deceased. All persons having claims against this present their claims within

(Continued on next column)

(Continued on next column)