



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

ADMINISTRATIVE ORDER NO. WFX-745

**APPLICATION OF CHEVRON USA PRODUCTION COMPANY TO EXPAND ITS
WATERFLOOD PROJECT IN THE EUNICE MONUMENT GRAYBURG-SAN
ANDRES POOL IN LEA COUNTY, NEW MEXICO.**

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order R-7766, Chevron USA Production Company has made application to the Division on November 6, 1998 for permission to reinstate and expand its Eunice Monument South Unit 'B' Waterflood Project in the Eunice Monument Grayburg-San Andres Pool in Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been filed in due form.
- (2) Satisfactory information has been provided that all offset operators have been duly notified of the application.
- (3) No objection has been received within the waiting period as prescribed by Rule 701(B).
- (4) The proposed injection wells are eligible for conversion to injection under the terms of Rule 701.
- (5) The proposed expansion of the above referenced waterflood project will not cause waste nor impair correlative rights.
- (6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, Chevron USA Production Company, be and the same is hereby authorized to inject water into the Grayburg formation at approximately 3748 feet to approximately 4060 feet through 2 3/8-inch plastic lined tubing set in a packer located within 100 feet of the uppermost injection perforations in the following described well for purposes of secondary recovery to wit: