CASE 6728: CONOCO INC. FOR PRESSURE MAINTEMANCE EXPANSION, LEA COUNTY, NEW MEXICO

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BRUCE KING GOVERNOR LARRY KEHOE

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT **DIL CONSERVATION DIVISION**

March 12, 1980

POST OFFICE BOX 2088 BTATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (506) 827-2434

Mr. Jason Kellahin Kellahin & Kellahin Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico

6728 Re: CASE NO. ORDER NO. R-6277

Applicant:

Conoco Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Pours very truly, 1 JOE D. RAMEY Director

JDR/fd

Copy of order also sent to:

Hobbs OCD х Artesia OCD x Aztec OCD

Other

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

> CASE NO. 6728 Order No. R-6277

APPLICATION OF CONOCO INC. FOR PRESSURE MAINTENANCE EXPANSION, LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

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This Gause came on for hearing at 9 a.m. on November 14, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>llth</u> day of March, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Conoco Inc., is the operator of a pressure maintenance project in the Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico, and in this case seeks approval for the expansion of said project by the conversion to water injection into the Yates and Seven Rivers formations of its Eaves "A" Well No. 7 located in Unit J of Section 19, Township 26 South, Range 37 East, NMPM.

(3) That applicant proposes to inject water in said well through 3 1/2-inch internally coated tubing set in a packer at approximately 3030 feet, with perforations from 3082 feet to 3210 feet.

(4) That approval of the proposed pressure maintenance expansion should result in the recovery of additional oil which would otherwise remain unproduced, thereby preventing waste, and will not impair correlative rights, and should be given, provided however, that such expansion should be subject to -2-Case No. 6728 Order No. R-6277

certain provisions to ensure that underground fresh water supplies in the area are not impaired.

(5) That the casing-tubing annulus should be filled with an inert fluid, and that a pressure gauge or other approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(6) That the applicant should be permitted to use its Eaves "A" Well No. 7 for water injection as described above only after the applicant has submitted to the Hobbs District Office and the Santa Fe Office of the Division those items required by the Division pursuant to the provisions of Division Memorandum 3-77, dated August 24, 1977, and only after taking any remedial action deemed necessary by the Hobbs District Supervisor of the Division on wells within one-half mile of said Eaves "A" Well No. 7.

(7) That the injection well or injection pressurization system should be so equipped as to limit injection pressure at the wellhead to 620 psi, but the Division Director should have authority to increase said pressure limitation, should circumstances warrant, and if such pressure increase can be accomplished safely.

(8) That subject to the above conditions, the subject application should be approved, and the project should be governed by the provisions of Rules 701, 702, and 703 of the Division Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Conoco Inc., is hereby authorized to expand its Scarborough Eaves Pressure Maintenance Project by the injection of water into the Yates and Seven Rivers formations through the perforated interval from 3082 to 3210 feet in its Eaves "A" Well No. 7, located in Unit J of Section 19, Township 26 South, Range 37 East, NMPM, Scarborough Yates-Seven Rivers Pool, Lea County, New Maxico.

(2) That injection shall be through internally coated 3 1/2-inch tubing set in a packer at approximately 3030 feet, and the casing-tubing annulus shall be loaded with an inert fluid and equipped with an approved pressure gauge or attentionattracting leak detection device.

(3) That the injection well herein authorized or the injection pressurization system shall be so equipped as to limit

-3-Case No. 6728 Order No. R-6277

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injection pressure at the wellhead to no more than 620 psi, provided however, that the Division Director may authorize a higher surface injection pressure upon satisfactory showing that such pressure will not result in fracturing of the confining strata.

(4) That the operator shall immediately notify the Hobbs District Office of the Division of the failure of the tubing, casing, or packer in any of the project's injection wells, 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 timely steps as may be necessary or required to correct such failure or leakage.

(5) That the Conoco Scarborough Eaves Pressure Maintenance Project shall be governed by the provisions of Rules 701, 702, and 703 of the Division Rules and Regulations, and monthly reports of the project shall be submitted to the Division in accordance with Rules 704 and 1115 thereof.

(6) That prior to commencement of water injection into its Eaves "A" Well No. 7, applicant shall have submitted to the Hobbs District Office and the Santa Fe Office of the Division those items required pursuant to Division Memorandum No. 3-77 dated August 24, 1977, and shall have taken such remedial action as may be deemed necessary by the Hobbs District Office of the Division on any well within one-half mile of said Eaves "A" Well No. 7.

(7) That 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.

S E A L fd/ STATE OF NEW MEXICO OIL CONSERVATION DIVISION

HAN0 JOE D. RAMEY Director

Page 2 of 3 Examiner Hearing - Wednesday - November 14, 1979

CASE 6721: Application of Aminoil USA, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Pennsylvanian formations underlying the N/2 of Section 10, Township 24 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6684: (Continued from October 31, 1979, Examiner Hearing)

Application of CO_2 -In-Action, Inc. for creation of a new carbon dioxide gas pool and special pool rules, Harding County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the North Bueyeros-Santa Rosa CO_2 Gas Pool and the promulgation of special pool rules therefor, including a provision for 40-acre spacing and proration units. Said pool would comprise all or parts of Sections 1 thru 4, Township 20 North, Range 30 East, and Sections 8, 9, 10, 15, 16, 17, 20, 21, 22, 27, 28, 32, 33 and 34, Township 21 North, Range 30 East.

- Application of Lloyd Davidson for an unorthodox oil well location, McKinley County, New Mexico. CASE 6722: Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Santa Fe Pacific Well No. 1, a Gallup-Entrada-Dakota Lest 960 fect from the South line and 1230 feet from the East line of Section 29, Township 16 North, Range 6 West, the SE/4 SE/4 of said Section 29 to be dedicated to the well.
- CASE 6723: Application of Merrion & Bayless for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the SW/4 of Section 27, Township 24 North, Range 2 West, South Blanco-Pictured Cliffs Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- (Continued from October 31, 1979, Examiner Hearing) CASE 6713:

Application of Depco Inc. for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the White Ranch Unit Area, comprising 18,962 acres, more or less, of State, Federal, and fee lands in Townships 12 and 13 South, Ranges 29 and 30 East.

- CASE 6724: Application of Coquina Oil Corporation for a non-standard gas proration unit and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the South line and 1650 feet from the East line of Section 7, Township 19 South, Range 32 East, Lusk-Morrow Gas Pool, the S/2 of said Section 7 to be dedicated to the well as a non-standard 320-acre provation unit.
- CASE 6725: Application of Tenneco Oil Company for three non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 291.23-acre non-standard gas proration unit comprising the W/2 of Section 6 and the NW/4 of Section 7, a 347.58-ecre unit comprising the W/2 of Section 19 and the NW/4 of Section 30, and a 375.17-acre unit comprising the SW/4 of Section 30 and the W/2 of Section 31, all in Township 29 North, Range & West, Basin-Dakota Pool, each unit to be dedicated to a well to be drilled at a standard location thereon.
- CASE 6726: Application of Tesoro Petroleum Corporation for a waterflood project, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the South Hospah-Upper Sand Oil Pool by the injection of water into the Upper Hospah Sands through three wells located in Units E and M of Section 5 and Unit I of Section 8, Township 17 North, Range 8 West. Applicant further seeks an administrative procedure for expansion of said project.
- CASE 6727: Application of Conoco Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the abovestyled cause, seeks authority to dispose of produced salt water in its Anderson Ranch Unit Well No. 8 located in Unit I of Section 11, Township 16 South, Range 32 East, Anderson Ranch Field. Applicant would dispose into the Wolfcamp, Mississippian, and Devonian formations in the overall interval from 9775 feet to 13,620 feet through selective perforations.
- Application of Conoco Inc. for pressure maintenance expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the expansion of its Scarborough Eaves PM Project by the conversion of its Eaves "A" Well No. 7 located in Unit J of Section 19, Township 26 South, CASE 6728: Range 37 East, to water injection in the Yates-Seven Rivers formations,

		Page STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 14 November 1979 EXAMINER HEARING 5	1
	•	<pre>6 IN THE MATTER OF: 7 Application of Conoco, Inc., for pres 8 sure maintenance expansion, Lea County, New Mexico. 9</pre>))))) (ASE) (728)))
	ALLY WALTON BOYD	10 BEFORE: Daniel S. Nutter 11 12 TRANSCRIPT OF HEARING 13	
		14 APPEARANCES 15	1
		16For the Oil ConservationErnest L. Padil17Division:Legal Counsel for State Land Office18Santa Fe, New Me19	or the Division ce Bldg.
		 20 For the Applicant: Jason Kellahin, KELLAHIN & KELLA 21 500 Don Gaspar Santa Fe, New Me 	AHIN
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Direct Examination by Mr. Kellahin Cross Examination by Mr. Nutter

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EXHIBITS

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14	Applicant Exhibit Two, C-108	i ~
15	Applicant Exhibit Three, Schematic	
16	Applicant Exhibit Four, Schematic	
17	Applicant Exhibit Five, Log	
18	Applicant Exhibit Six, Structure Map	
19	Applicant Exhibit Seven,	
20	Applicant Exhibit Eight,	
21	Applicant Exhibit Nine, Water Analysis	
22		

		Page3
	1	MR. NUTTER: Call Case Number 6728.
	2	MR. KELLAHIN: If the Examiner please, Jason
	3	Kellahin, appearing for the applicant, and we have the same
	4	witness.
	5	May the record show he has been sworn?
	6	MR. NUTTER: He's still under oath.
	7	MR. PADILLA: Application of Conoco, Inc.,
	8	for pressure maintenance expansion, Lea County, New Mexico.
	9	
ONTER 11-11-12 17:501	10	LOWELL B. DECKERT
CERTIFIED SHCRTHAND REPORTE 1020 Flaza Blaisa (565) 411-546 Santa Fe, New Mexico 87561	11	being called as a witness and having been duly sworn upon
Blauca Blauca	12	his oath, testified as follows, to-wit:
o Plaza Plaza anta Fe	13	
	14	DIRECT EXAMINATION
	15	BY MR. KELLAHIN:
	16	Q. Mr. Deckert, are you familiar with the
	17	application of Conoco, Incorporated, in Case Number 6728?
	18	A. Yes, I am.
	19	Q What does the applicant propose in this
	20	case?
	21	A. This is application for approval to convert
	22	our Eaves "A" Well No. 7 from a tsi oil well to a pressure
	23	maintenance project well. We are presently injecting pro-
	24	duced water into the Eaves "A" No. 10, a pressure maintenance
	25	well by permission of Order No. R-3487 and 3487-A.

SALLY WALTON BOYD

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The addition of Well No. 7 as a pressure maintenance project well should increase the efficiency of this pressure maintenance project.

The Eaves "A" No. 7 was drilled and completed as a producing well in the Scarborough-Yates-Seven Rivers Pool in September, 1950. It produced 274,000 barrels of oil. The well declined below the economic limit, and has been shut-in since October, 1973. It has no remedial or recompletion prospects and only use as a service well.

Q Now, referring to what has been marked as the applicant's Exhibit Number One, would you identify that exhibit?

A Exhibit One is a location plat showing the Eaves "A" lease, which is outlined in red, and an arrow indicating Well No. 7. This is the candidate well for conversion to pressure maintenance well.

Well No. 7 is located 1980 feet from the south line, 2310 feet from the east line of Section 19, Township 26 South, Range 37 East, Lea County, New Mexico. This plat also shows the Eaves "B-1" lease,

which is outlined in blue. The produced water from this lease will be injected into this system, as well.

Q. Now, referring to Exhibit Number Two, would you identify that exhibit?

Exhibit Two is a copy of Form C-108 for

ALLY WALTON BOYD ATIFIED SMURTHAND REPORTER 2017/2/22 BLANDA (2015) 471-345 BLANDA FO. Now Moridon 171601 2

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1 the Eaves "A" No. 7 Well. As shown on this form, we propose 2 to inject water, produced water, from the Eaves "A" and "B-1" leases into the Yates and Seven Rivers formation in the gross 3 interval from 3082 feet to 3210 through 3-1/2 inch plastic 4 lined tubing set on a packer approximately 3030 feet. Q. Now, referring to Exhibit Number Three, would you explain that exhibit, please? A. Exhibit Three is a wellbore schematic of 9 the well at present showing all casing strings, sizes, set-10 ting depths, cementing data, packer, and so forth. 11 Exhibit Four is a downhole schematic after 12 the proposed conversion. We believe that this complies with 13 all the standards set by the NMOCD. 14 I believe you said you'd be injecting Q. 15 through internally coated tubing? 16 A. Yes. 17 And you will fill the casing-tubing annulus Q. 18 with inert fluia? 19 Yes, with an inert fluid, right. A. 20 Now what volume of water will you inject? Q. 21 Do you know? 22 Initially, probably something in the order A. 23 of 3000 barrels a day. 24 Do you have any idea of what the pressure <u>0</u>. 25 will be?

LY WALTON BOYD ED SHIMTHAND REPORTER LEA BADDOR (005) 471-5465 a Po, New Montion 67601

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Not at this time, no, sir.

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Q. Now, Exhibit Number Five, would you describe that exhibit?

A Okay. Exhibit Five is a copy of the log for the Eaves "A" No. 7 Well and shows the top of the Yates at 2864 feet; top of the Seven Rivers at 3136 feet; and shows the present perforations in the well and also the interval that we propose to inject into in this well.

Q Now, referring to Exhibit Number Six, would you identify that exhibit?

A Exhibit Six is a structure map of the southern portion of the Scarborough Yates-Seven Rivers P ∞ l, showing the structural tops of the Yates in this particular area, and incidentally, this is the same structure map that was used in Case 4198 in August of '69 that led to approval of the conversion of the Eaves "A" 10 to a pressure maintenance well.

Q. Now would you go through the remaining exhibits and explain them, please?

A. Okay. Exhibit Seven is a decline curve showing the oil production from the Eaves "A" Lease. The top line is the actual oil production and the dashed line is our estimate of the production without the benefit of this pressure maintenance project.

Exhibit Number Eight is a table showing

SALLY WALTON BOYD CEATIFIED SHCATHAND REPORTER 2020 Plake Blance (505) 471-3462 Samta Fo, Now Moxico 87101

Page ._____7____

the volumes of water injected into Well No. 10 during the
past year. Approximately the same total of water will be injected into both Wells Nos. 7 and 10 combined if this application is approved. I might point out that we plan to install
some additional submersible pumps so this -- to increase oil
production, so the water production w ill increase as well.

Exhibit Number Nine is a copy of water analysis for the water to be injected.

The producing rates from the wells in this pool are too high to qualify as a waterflood project. In my opinion, injection of water into Well No. 7 will have the effect of maintaining the pressure in the reservoir and will assist in moving oil to producing wells.

The Lower Yates and Seven Rivers have an active water drive mechanism from the west for the fore reef portion and we propose to inject water into the back reef portion to supplement the active water drive in that area and help prevent oil from being trapped in the undeveloped portions of this lease by the -- as a result of the active water drive mechanism from the west.

Q. Now, in your opinion will the approval of this application result in the prevention of waste?

A. Yes, in my opinion, it will.

Q In your opinion will there be any impairment of correlative rights as a result of the injection proposed

ALLY WALTON BOYD ATTRIED SHOATHAND REPORTER SOPLER BUILLAGE (SOL) 471-3463 Bailte Po, New Moxico 87501 7

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1	in this application?
2	A. No.
3	Q. Will the approval of this application re-
4	sult in the recovery of oil that would not otherwise be re-
5	covered?
6	A. Yes, in my opinion.
7	Q. Were Exhibits One through Eight, Nine, pre-
8	pared by you or under your supervision?
9	A Yes, sir.
10	MR. KELLAHIN: At this time we offer Ex-
11	hibits One through Nine, inclusive.
12	MR. NUTTER: Continental Exhibits One
13	through Nine will be admitted in evidence.
14	MR. KELLAHIN: That's all we have, Mr.
15	Nutter _
16	
17	CROSS EXAMINATION
18	BY MR. NUTTER:
19	Q. Mr. Deckert, I believe when you were dis-
20	cussing the No. 7, the proposed well, you mentioned you have
21	3-1/2 inch tubing, and this is borne out, I believe, by Ex-
22	hibit Number Four; however, Exhibit Number Two states 2-3/8
23	inch tubing. Which is the size tubing proposed?
24	A. The $2-/8$ ths is what's in the well right
25	now, but we do plan to use $3-1/2$ inch.

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SALLY WALTON BOYD CERTIFIED SHORTHAND REPORTER 2020 Plaza Blauca (505) 471-3463 Bauta Po, New Moston 57501

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You'll pull that and install 3-1/2? Q. 2 Right. A. Now, you estimate you'ld inject 3000 bar-3 0. rels per day, but you don't know the pressures. How much 4 are you injecting into the No. 10 Well at the present time? 5 A. It's close to 7000 barrels a day. 6 7 And what kind of pressure do you need to Q. inject that much? 8 A. It's my understanding it's somewhere over 9 2000 pounds right now. 10 11 Now, on your Exhibit Number Eight, Mr. Q 12 Deckert, I'm having a hard time figuring out, here we've 13 got two columns, it says barrels of water per month allo-14 cated to Eaves "A" and Eaves "B-1", then we have total over 15 Those numbers aren't supposed to add up, are they? here. 16 I'm not sure what the reason for the dif-A. 17 ference there, I'm sorry. 18 In some cases there doesn't appear to be Q. 19 a relationship between the total column and the per month 20 allocation to each of the two leases. 21 Well, see, the totals are close, but not A. 22 exact. 23 It looks like this total out here is 7000 Q. 24 times the number of days in the month, actually, 25 That's what it would appear. A.

LY WALTON BOYD RED SHCATHAND REPORTER REA BLOOM (001) 471-2442

10 1 Could you determine what the score is on Q. 2 that thing and let us know? 3 A Yes, I will. MR. NUTTER: Are there any questions of 5 Mr. Deckert? He may be excused. 6 Do you have anything further, Mr. Kellahin 7 MR. KELLAHIN: That's all, Mr. Nutter, 8 thank you. 9 MR. NUTTER: Does anyone have anything the 10 wish to offer in Case Number 6728? 11 We'll take the case under advisement. 12 13 (Hearing concluded.) 14 15 16 17 18 19 20 21 22 23 24 25

SALLY WALTON BOYD CENTIFIED SHCATHAND REPORTED CORPLARE BLUCA (191) 471-246 Santa Po, Now Mexico 87501

NAME AND ADDRESS

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REPORTER CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability from my notes taken at the time of the hearing.

Sully W. Boyd C.S.R.

I do hereby conting that the foregoing is a complete entre si the proceedings in the lixe ... on 11/14 1978 heard by the on 79 , Exami**ner**

Oil Conservation Division

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STATE OF NEW MEXICO ENERGY AND MINERALS, DEPARTMENT 2 OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. 3 SANTA FE, NEW MEXICO 14 November 1979 EXAMINER HEARING 5 6) IN THE MATTER OF: 7 Application of Conoco, Inc., for pres-) CASE 8 sure maintenance expansion, Lea) 6728 County, New Mexico.) 9) SALLY WALTON BOYD CERTIFIED SHCATHAND REPORTER 10 BEFORE: Daniel S. Nutter 11 33 12 TRANSCRIPT OF HEARING 13 14 APPEARANCES 15 16 For the Oil Conservation Ernest L. Padilla, Esq. 17 Division: Legal Counsel for the Division State Land Office Bldg. 18 Santa Fe, New Mexico 87503 19 20 For the Applicant: Jason Kellahin, Esq. KELLAHIN & KELLAHIN 21 500 Don Gaspar Santa Fe, New Mexico 87501 22 23 24 25

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Direct Examination by Mr. Kellahin Cross Examination by Mr. Nutter

SALLY WALTON BOYD CERTIFIED SHORTHAND REPORTEL Santa Fe, New

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Exhibit Tuo is a copy of Form C-108 for

SALLY WALTON BOYD CERTIFIED SHORTHAND REPORTER DO POLICE BAULDER (605) 471-246 BAULE Fo. New Morido 57501 2

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1 the Eaves "A" No. 7 Well. As shown on this form, we propose 2 to inject water, produced water, from the Baves "A" and "B-1" 3 leases into the Yates and Seven Rivers formation in the gross 4 interval from 3082 feet to 3210 through 3-1/2 inch plastic 5 lined tubing set on a packer approximately 3030 feet. 6 Q. Now, referring to Exhibit Number Three, 7 would you explain that exhibit, please? 8 A. Exhibit Three is a wellbore schematic of 9 the well at present showing all casing strings, sizes, set-10 ting depths, cementing data, packer, and so forth. 11 Exhibit Four is a downhole schematic after 12 the proposed conversion. We believe that this complies with 13 all the standards set by the NMOCD. 14 I believe you said you'd be injecting ۵ 15 through internally coated tubing? 16 A. Yes. 17 And you will fill the casing-tubing annulus Q. 18 with inert fluid? 19 Yes, with an inert fluid, right. A. 20 Now what volume of water will you inject? Q. 21 Do you know? 22 Initially, probably something in the order Α. 23 of 3000 barrels a day. 24 Do you have any idea of what the pressure 0. 25 will be?

LLY WALTON BOYD TIFIED SHORTHAND REPORTED PLALE BANICE (005) 471-246 DATA PO, Nith Mexico 87591

Not at this time, no, sir. Λ. 2 Now, Exhibit Number Five, would you describe Q. 3 that exhibit? R. Okay. Exhibit Five is a copy of the log for the Eaves "A" No. 7 Well and shows the top of the Yates at 2864 feet; top of the Seven Rivers at 3136 feet; and 7 shows the present perforations in the well and also the in-8 terval that we propose to inject into in this well. 9 Now, referring to Exhibit Number Six, would Q 10 you identify that exhibit? 11 A. Exhibit Six is a structure map of the 12 southern portion of the Scarborough Yates-Seven Rivers Pool, 13 showing the structural tops of the Yates in this particular 14 area, and incidentally, this is the same structure map that 15 was used in Case 4198 in August of '69 that led to approval 16 of the conversion of the Eaves "A" 10 to a pressure mainte-17 nance well. 18 Now would you go through the remaining Q. 19 exhibits and explain them, please? 20 Okay. Exhibit Seven is a decline curve A. 21

A Okay. Exhibit seven is a decline curve showing the oil production from the Eaves "A" Lease. The top line is the actual oil production and the dashed line is our estimate of the production without the benefit of this pressure maintenance project.

Exhibit Number Eight is a table showing

S.ALLY W.ALTON BOYD CERTFIED SHCHTYAND REPORTER 80.20 Plaza Blanca (505) 471-245 Sania Po, New Mozico 57601

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the volumes of water injected into Well No. 10 during the past year. Approximately the same total of water will be injected into both Wells Nos. 7 and 10 combined if this application is approved. I might point out that we plan to install some additional submersible pumps so this --- to increase oil production, so the water production will increase as well.

Exhibit Number Nine is a copy of water analysis for the water to be injected.

The producing rates from the wells in this pool are too high to qualify as a waterflood project. In my opinion, injection of water into Well No. 7 will have the effect of maintaining the pressure in the reservoir and will assist in moving oil to producing wells.

The Lower Yates and Seven Rivers have an active water drive mechanism from the west for the fore reef portion and we propose to inject water into the back reef portion to supplement the active water drive in that area and help prevent oil from being trapped in the undeveloped portions of this lease by the --- as a result of the active water drive mechanism from the west.

Q Now, in your opinion will the approval of this application result in the prevention of waste?

A. Yes, in my opinion, it will.

0 In your opinion will there be any impairment of correlative rights as a result of the injection proposed

SALLY WALTON BOYD CENTRED SHUNTHAND REPORTER 0210FMAR BLACCA (011-2405 BARKA PA, New Morton (112-015) 2

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,	in this application?
2	A. No.
3	Q Will the approval of this application re-
4	sult in the recovery of oil that would not otherwise be re-
5	covered?
6	A Yes, in my opinion.
7	Q Were Exhibits One through Eight, Nine, pre
8	pared by you or under your supervision?
9	A. Yes, sir.
10	MR. KELIAHIN: At this time we offer Ex-
11	hibits One through Nine, inclusive.
12	MR. NUTTER: Continental Exhibits One
13	through Nine will be admitted in evidence.
14	MR. KELLAHIN: That's all we have, Mr.
15	Nutter .
16	
17	CROSS EXAMINATION
18	BY MR. NUTTER:
19	Q. Mr. Deckert, I believe when you were dis-
20	cussing the No. 7, the proposed well, you mentioned you have
21	3-1/2 inch tubing, and this is borne out, T believe, by Ex-
22	hibit Number Four; however, Exhibit Number Two states 2-3/8
23	inch tubing. Which is the size tubing proposed?
24	A. The 2-38ths is what's in the well right
25	now, but we do plan to use $3-1/2$ inch.
	nong buc no do pran co doc 5 1/2 thon.

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SALLY WALTON BOYD CERTIFIED SHCIRTHAND REPORTER 2020 Plate Bhildon (202) 172-2402 Sente Fo, New Moriloo 87501

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ALC: NO. SALE

THE STREET

You'll pull that and install 3-1/2? Q. Right. Α 2 Now, you estimate you'ld inject 3000 bar-0 3 rels per day, but you don't know the pressures. How much 4 6 are you injecting into the No. 10 Well at the present time? It's close to 7000 barrels a day. A. a And what kind of pressure do you need to 7 inject that much? 8 It's my understanding it's somewhere over A. 9 10 2000 pounds right now. 11 Now, on your Exhibit Number Eight, Mr. Q. 12 Deckert, I'm having a hard time figuring out, here we've 13 got two columns, it says barrels of water per month allo-14 cated to Eaves "A" and Eaves "B-1", then we have total over 15 here. Those numbers aren't supposed to add up, are they? 16 A. I'm not sure what the reason for the dif-17 ference there, I'm sorry. 18 Q In some cases there doesn't appear to be 19 a relationship between the total column and the per month 20 allocation to each of the two leases. 21 Well, see, the totals are close, but not A 22 exact. 23 0. It looks like this total out here is 7000 24 times the number of days in the month, actually. 25 That's what it would appear. \tilde{P}_{n}

LY WALTON BOYD FIED SHORTHAND REPORTER TAXA BIADOR (\$05) 411-2462 (ta Fe, New Mexido 61501

			Page 10
	1	Q	Could you determine what the score is on
	2	that thing and le	et us know?
	3	λ	Yes, I will.
in the second	4		MR. NUTTER: Are there any questions of
	5	Mr. Deckert? He	may be excused.
	6		Do you have anything further, Mr. Kellahin?
	7		MR. KELLAHIN: That's all, Mr. Nutter,
	8	thank you.	
•	9		MR. NUTTER: Does anyone have anything they
BOYD PONTE: 11314	10	wish to offer in	Case Number 6728?
TON Menton	11		We'll take the case under advisement.
Y WAL	12 13		*
SALL' CEATIFIE Sauta	14	:	(Hearing concluded.)
	15		
	16		
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REPORTER CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

foregoing is I do hereby contify the e constitute Examiner 1:0 6:0 heard by Oil Conservation Division

Y WALTON BOYD ED SHIJRTHAND REPORTER 24 Binda (1445) 471-3448 74, New Maddoo 37441 1

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EXHIBIT NO. 2 Form C-108 Revised 3-1-68

NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

			ADDATS					
Conoco Inc.		WELL NO.	FIELD	P.O.	Box	460 - Ho	bbs, 1	VM 88240
Eaves A		7		NMFU				Lea
UNIT LETTER	<u>J;</u> we	LL IS LOCATED 1	980	FROM THE	. <u>s</u> o	uth	NE AND	2310 PEET PROM THE
East LINE, SECTION]	9 100	VNSHIP 265		37E	ниры	<u>. </u>		
		·····	G AND TUBING		.			
NAME OF STRING	SIZE	SETTING DEPTH	SACKS CE	MENT	<u>τ</u>	OP OF CEME		TOP DETERMINED BY
	9 5/8	1159'	465			0		Circulation
INTERMEDIATE								
LONG STRING	7	3215'	740		 	0		Circulation
TUSING			NAME, MODEL AN	D DEPTH O	FTUBIN	G PACKER	• • • • • • • • • • • • • • • • • • •	
	2 3/8	3076'	Baker A	0-1 Ter	nsior	n Packer	3030'	
NAME OF PROPOSED INJECTION FORMATIO	N	1	TOP OF F	ORMATION			BOTTOM	DF FORMATION
Scarborough-Yates Sev	en Rivers	1	2	864 '			3210	0' (Open)
IS INJECTION THROUGH TUBING, CASING, O	R ANNULUST	PERFORATIO	NS OR OPEN HOLE?	PROPOSED	DINTER	AL(S) OF INJE		
Tubing		perfo	rations	308:	2'-	3210'		
IS THIS A NEW WELL GAILLED FOR DISPOSALT NO		1 producing		GINALLY D	RILLEDT		HAS WELL ZONE OTH TION ZON	LEVER BEEN PERFORATED IN AN IER THAN THE PROPOSED INJEC- E? YES
3206-12: 50 sacks 317 3192-3200: 50 sacks					31 acks	10-20: 3100-(50 sa	
DEPTH OF SOTTON OF DEEPEST FREEN WATER LONG IN THIS AREA 1100'		DEPTH OF BOTTOM O	OF NEXT HIGHER (This Area			DEPTH OF TOP	DE NEXT	
ANTICIPATED DAILY MINIMUM	I MAXIMUM	OPEN OR CLO	SED TYPE SYSTEN	15 IN PRES	JECTION SURE?	TO BE BY GRA	VITY OR	APPHOX. PRESSURE (PSI)
(681.5.) 1000	8000	clo				ressure		900
ANSWER YES OR NO WHETHER THE FOLLO ERALIZED TO SUCH A DEGREE AS TO BE U	NEIT FOR DOMES	E MIN- WATE	CR TO BE DISPOSED	OF NATU	RAL WA	TER IN DISPO-	ARE WAT	ER ANALYSES ATTACHED?
Tom & Evelyn Linebery	OR LESSEE, IF	STATE OR FEOERAL LA	yes ANDI d TX 79	 701	}	yes	<u> </u>	
LIST NAMES AND ADDRESSES OF ALL OPE			•					
Texaco Inc P.O. Bo		••		necc				
		*						
		······································						
								· · · · · · · · · · · · · · · · · · ·
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING?	- 1		EACH OP	CRATOR WIT	-	HALF MILE		
ARE THE FOLLOWING FTEMS ATTACHED TO		No	ELECTRE		No		DIAGRAM	MATIC SKETCH OF WELL
THIS APPLICATION (SEE RULE YOI-B)	1	are include	1	xhibit	s fo	r this c	ase.	
l hereby certi	fy that the in	formation above is	s true and comp	lete to th	e best	of my know	ledge and	belief.
		Assist	ant Divisi	on Man	ager		N	ovember 1, 1979
(Signature)			(Tit	le)				(Date)

NOTE: Should univers from the surface owner and all operators within one-half mile of the proposed injection well not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. If at the end of the 15+day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests, SCE RULE 201.

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION
macouncexhibit NO. 2
CASE NO. 6728
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EAVES "A" NO. 7 (Present Completion)



EAVES "A" NO. 7

(Proposed Completion)



FIGURE II



BEFORE EXAMINER NUTTER OIL COMMENTATION DIVISION Concerlas entres and -ASEND 6728



EXHIBIT NO. 8

EAVES "A" PRESSURE MAINTENANCE PROJECT

INJECTION WELL: EAVES "A" NO. 10

		AL	LOCATED		
YEAR	MONTH	BARRELS WAY	TER PER MONTH		
1978	September	EAVES "A"	EAVES "B-1"	TOTAL	BARRELS OF WATER CUMULATIVE INJECTION
1070		113,639	74,828 1074 157	210,000	
1978	October	153,828	66,676220,504		14,183,629
1978	November	101 (00	~	217,000	14,400,629
1978		121,482	71,963	210,000	14,610,629
13/0	December	112,271	52,013	017 000	14,010,029
1979	January	10.000		217,000	14,827,629
1979	·	49,308	91,818	SI 12-78	14,827,629
13/3	February	109,261	88,196	106 000	14,027,029
1979	March	122 505	-	196,000	15,023,629
1979		132,525	84,892	SI 02-79	15,023,629
1773	Apri1	128,891	76,085	210,000	13,023,023
1979	May	103,413		210,000	15,233,629
1979	•	103,413	72,917	217,000	15,450,629
	June	168,758	24,697	210,000	·
1979	July	128,107	70.000	210,000	15,660,629
1979		120,107	70,336	217,000	15,877,629
	August	140,626	60,558	217,000	
1979	September	137,390	7 7	217,000	16,094,629
		107,070	77,473	210,000	16,304,629


Home Office 707 N. Leech, P. O. Box 1499 / Hobbs, NM 88240 / Ph. 505/393-7751, TWX 910/986-0010

Company	Conoco		
Field	Scarborough Yates - 7 F	livers	
Leose	Eaves A-B, SWD #10	Sampling Date	11-2-79
Type of Sample	Pump Discharge		

W/	ATER ANALYSIS		A
IONIC FORM		me/l *	_mg/l *
Calcium (Ca++)		20.50	410
Magnesium (Mg++)		19.46	234
	CULATED)	102.59	2,359
Iron (Total)			0.31
Bicarbonate (HCO,)		26.19	1,598
Carbonate (CO 3 -)		Not	Found
Hydroxide (OH -)		Not	Found
Sulphate (SO)		10.24	492
Chlaride (Cl-)		106.12	3,763
Total Dissolved Solids			8,855
7.30 ph c 68 °F			
Dissolved Solids on Evap. at 103° - 105° C			
Hardness as Ca CO,		39.96	1,998
Carbonate Hardness as CaCO ₃ (temporary)		26.19	1,310
Non-Carbonate Hardness as CaCO, (permanent)		13.77	688
Alkalinity as CaCO,		26.19	1,310
Specific Gravity c 68° F 1.007			

mg/l = milligrams per Liter
me/l = milliequivalents per Liter

CaCO₃ S.I. positive @ 86⁰F (1.17) CaSO₄ S.I. negative (0.45)

BEFORE EXAMINER NUTTER OIL CONSERVATION DIVISION
Conne o Inc. EXHIBIT NO. 9
CASE NO. 6728

U-LAB 31 (REV. 6/78)

YEAR	MONTH	ALLOCATED BARRELS WATER PER MONTH EAVES "A" EAVES "B-	ALLOCATED WATER PER MONTH " <u>EAVES "B-1"</u>	TOTAL	BAFRELS OF WATER CUMULATIVE INJECTION
1978	September	113,366	74,829	188,195	15,593,450
1973	October	153,828	66,676	220,504	15,813,954
1973 ·	November	121,482	70,374	191,856	16,005,810
1978	December	108,009	52,013	160,022	16,165,832
1979	January	49,308	91,818	141,126	16,306,958
1979	February	109,261	88,196	197,457	16,504,415
1979	March	132,525	84,892	217,417	16,721,832
1979	Apríl	128,891	76,085	204,976	16,926,808
1979	Мау	103,413	72,917	176,330	17,103,138
1979	June	168,758	24,697	193,455	17,296,593
	July	128,107	70,336	198,443	17,495,036
1979	August	140,626	60,558	201,184	17,696,220
1979	September	137,390	77,473	214,863	17,911,083

BEFORE EXAMINER NUTTER OIL CONSERVATION DIVISION Conocolnc EXHIBIT NO. 8 CASE NO. 6728

EAVES "A" PRESSURE MAINTENANCE PROJECT

INJECTION WELL; EAVES "A" NO. 10







EXHIBIT NO. 2 Form C-108 Revised 3-1-68

NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A FOROUS FORMATION

GILNATOR				ADDAESS				
Cono	co Inc.			P	.0. Box	460 - Ho	bbs, N	M 88240
CEASE NAME			WELL NO.	FIELO				COUNTY
Eave	s A		7	N	MFU			Lea
LOCATION								· · · · · · · · · · · · · · · · · · ·
UNI	T LETTER	J; w:	11 H# LOCATED 19	<u>80 - PEET FRO</u>	M THE	outhu	NE AND	2310 FEET FROM THE
east um	C. SECTION 10) tan		MANGE 37E		ч.		
NAME OF ST	· ·			AND TUBING DAT.	<u> </u>			
SURFACE CASING		SIZE	SETTING DEPTH	SACKSCEMEN	T T	OP OF CEME	NT	TOP DETERMINED BY
•	4	9 5/8	1159'	465	ţ.	0		Circulation
INTERMEDIATE			/31					
LONG STRING								
		7	3215'	740		0		Circulation
TUBING			1	NAME, MODEL AND DE	PTH OF TUBI	NG PACKER		—
	\mathcal{A}	2 3/8	3076'	Baker AD-1		n Packer		
NAME OF PROPOSED IN				TOP OF FORM			-	FFORMATION
Scarborough				2864)' (Open)
IS INJECTION THROUGH		ANNULUS?		S OR OPEN HOLET PR			CTION	
Tubing		LIC ANEWER IS	NO, FOR WHAT PURPOR		3082' -		Luce west	
13 THIS A NEW WELL D DISPOSAL? NO		01	l producing			·	TION LONE	EVER BEEN PERFORATED IN ANY ER THAN THE PROPOSED INJEC- E? YES
3206-12: 50 3192-3200:	sacks 317 50 sacks	4-78: 50 3156-68:) sacks 314 50 sacks	2-50: 50 sa 3126-36: 5	cks 3 0 sacks	110-20: 	50 sac 06: 50	cks) sacks
RESH WATER ZONE IN 1100	THIS AREA		OIL OR GAS ZONE IN	Ý NĚAT HIGHER This Area		DEPTH OF TOP	None	LOWER
ANTICIPATED DAILY I	MINIMUM	I MAXIMUM	OPEN OR CLOS	ED TYPE SYSTEM	IS INJECTIO PRESSURE?	N TO BE BY GRA	VITY OR	APPROX. PRESSURE (PSI)
	1000	8000	clos			ressure	1	900
ANSWER YES ON NO WH ERALIZED TO SUCH A D STOCK, IRRIGATION, OR	EGREE AS TO BE UN OTHER GENERAL U	FIT FOR DOMES	TIC.	Yes	SAL ZONE	yes	ARE WATE	R ANALYSES ATTACHED?
Tom & Evely	n Linebery	- Box 15	36 - Midland	ND)	•	<u> </u>	1	
LIST NAMES AND ADOR	ESSES OF ALL OPER	ATORS WITHIN	ONE-HALF () MILE OF	THIS INJECTION WEL				
			lobbs, NM 88					
Texaco Inc.	- 1.0. 50					·		
					······			
				<u></u>				
HAVE COPIES OF THIS	APPLICATION BEEN	SURFACE OW	VER	EACH OPERAT	OR WITHIN ON	C-HALF MILE		
SENT TO EACH OF THE	FOLLOWING?	1	10	I OF THIS WELT				
ANE THE FOLLOWING IT		1		ELECTRICAL	NO Log	• ~ <u>.</u>	DIAGRAM	MATIC SRETCH OF WELL
1813 APPLICATION (SU		*These	are included	l in the Exh	ibits fo	or this c	ase.	
	I hereby certif	y that the inl	formation above is	true and complete	to the bes	t of my know	ledge and	belief.
			Assista	ant Division	Ma nager	:	N	ovember 1, 197 <u>9</u>
	(Signature)	·		(Title)				(Date)

NOTE: Should waivers from the surface owner and all operators within one-half mile of the proposed injection well not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office, If at the end of the 15-day uniting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests, SCE RULE 201.

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION
ConocarInc. EXHIBIT NO. 2
CASE NO. 6728
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EAVES "A" NC. 7 (Present Completion)



EAVES "A" NO. 7 (Proposed Completion)





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	к. 6728	I † 20	6	

FIGURE 11



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SCARDOROUGH YATES 7 RIVERS POOL CONOCO INC. EAVES "A" LEASE

EAVES "A" PRESSURE MAINTENANCE PROJECT

INJECTION WELL: EAVES "A" NO. 10

YEAR	MONTH	ALLC BARRELS WATE EAVES "A"	DCATED ER PER MONTH <u>EAVES "B-1"</u>	TOTAL	BARRELS OF WATER CUMULATIVE INJECTION
1978	September	113,639	74,828	210,000	14,183,629
1978	October	153,828	66,676	217,000	14,400,629
1978	November	121,482	71,963	210,000	14,610,629
1978	December	112,271	52,013	217,000	14,827,629
1979	January	49,308	91,818	SI 12-78	14,827,629
1979	February	109,261	88,196	196,000	15,023,629
1979	March	132,525	84,892	SI 02-79	15,023,629
1979	April	128,891	76,085	210,000	15,233,629
1979	Мау	103,413	72,917	217,000	15,450,629
1979	June	168,758	24,697	210,000	15,660,629
1979	July	128,107	70,336	217,000	15,877,629
1979	August	140,626	60,558	217,000	16,094,629
1979	September	137,390	77,473	210,000	16,304,629

EXHIBIT NO. 8



Home Office 707 N. Leech, P. O. 80x 1499 / Hobbs, NM 88249 / Ph. 505/393-7751, TWX 910/986-0010

Company	Conoco		
Field	Scarborough Yates - 7	Rivers	
Leose	Eaves A-B, SWD #10	Sampling Date	11-2-79
Type of Sample	Pump Discharge		

WATER ANALYSIS

IONIC FORM	me/l *	mg/l *
Calcium (Ca++)	20.50	410
Magnesium (Mg++)	19.46	234
Sodium (No+) (CALCULAT	ED) 102.59	2,359
Iron (Total)		0.31
Bicarbonate (HCO,)	26.19	1,598
Carbonate (CO 3 -)	Not	Found
Hydroxide (OH-)	Not	Found
Sulphate (SO)	10.24	492
Chlaride (C1-)	106.12	3,763
Total Dissolved Solids		8,855
7.30 ph c 68 °F		
Dissolved Solids on Evop. of 103° - 105° C		·
Hardness as Ca CO,	39.96	1,998
Carbonote Hardness as CaCO3 (temporary)	26.19	1,310
Non-Carbonate Hardness as CaCO ₃ (permanent)	13.77	688
Alkalinity as CaCO,	26.19	1,310
Specific Gravity c 68° F 1.007		1
		1

* mg/l = milligrams per Liter * me/l = milliequivalents per Liter

CaCO₃ S.I. positive @ 86⁰F (1.17)

CaSO₄ S.I. negative (0.45)

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION
Consce clac. EXHIBIT NO. 9
CASE NO. 6728

U-LAB 31 (REV. 6/78)





EXHIBIT NO. 2 Form C-108 Revised 3-1-68

NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

Conoco inc.			ADDRESS		Box	460 – Ho	obbs, N	M 88240
Eaves A		WELL NO.	FIELO					COUNTY
COCATION		<u>/</u>	l	NMFU				Lea
UNIT LETTER	_ <u>J;</u> we	LL 15 LOCATED <u>19</u>	80	Т FROM TH	t <u>SO</u>	uth	HE AND	2310 FEET FROM THE
Cast Line, SECTION	<u>19 row</u>	NSHIP 265 CASING	BANGE AND TUBING	<u>37E</u> data	ммрм	•		
NAME OF STRING	SIZE	SETTING DEPTH	SACKS CE	MENT	τ τ	P OF CEME	NT	TOP OFTERMINED BY
SURFACE CASING	9 5/8	1159'	465		1	0		Circulation
INTERMEDIATE		• • • •						
LUNG STRING								
	7	3215'	740			0		Circulation
TUBING			HANE, MODEL A		TUSIN	•		
	2 3/8	3076	Baker A	D-1 Ter	nsior	Packer	3030'	
NAME OF PROPOSED INJECTION FORMAT				FORMATION				FFORMATION
Scarborough-Yates Se	ven Rivers		2	864 '			3210	(Open)
IS INJECTION THROUGH TUBING, CASING		PERFORATION	S ON OPEN HOLE	PROPOSE	DINTER	AL(S) OF INJE		(open)
Tubing		perfor	ations	308	2' -	3210'		
S THIS A NEW WELL DAILLED FOR DISPOSALY NO		NO. FOR WHAT PURPO 1 producing		1			HAS WELL ZONE OTH. TION ZONE	
3206-12: 50 sacks 31	74-78: 50	MENT USED TO SEAL	2-50: 50	sacks	31 acks	.10-20:	50 sac	yes ks sacks
3192-3200: 50 sacks SEPTH OF BOTTOM OF DEEPEST FALSH WATER ZONE IN THIS AREA 1100		OIL OR GAS ZONE IN	F NETT HIGHER THIS AREA			DEFIN OF TU GIL OR GAS 2		
STICIPATED DAILY MINIMUM	TNAKIMUM	OPEN OR CLUS	SED TYPE SYSTE		JECTION	TO BE BY GRA	VITY OR	APPHOX. PRESSURE (PSI)
1000	8000	clos	sed	ļ	iq i	cessure		900
ANSWER YES OR NO WHETHER THE FOLL ERALIZED TO SUCH A DEGREE AS TO BE	UNFIT FOR DOMES	E MIN- WATER	R TO SE DISPOSE	D OF NATU	RAL WAT	TER IN DISPO-	ARE WATE	R ANALYSES ATTACHED?
STOCK, IRRIGATION, OR OTHER GENERAL		۱ ۱	yes	1 1		/es		
Tom & Evelyn Lineber	y - Box 15	36 - Midland	i, TX 79	701				
LIST NAMES AND ADDRESSES OF ALL O	PERATORS WITHIN	DNE-HALF () MILE OI	F THIS INJECTION	WELL				· · · · · · · · · · · · · · · · · · ·
Texaco Inc P.O. H	lox 7.28 - H	obbs, NM 88	3240					
					·····			
NAVE COPIES OF THIS APPLICATION BEI SENT TO CACH OF THE FOLLOWING!	I SURFACE OWN	ER	EACH OF	WELL	THIN ONE	HALF MILE		
	1 .	0	1		No		+	
ARE THE FOLLOWING ITENS ATTACHED THIS APPLICATION (SEE RULE 701-B) X	ł	are included	1	Exhibit	s fo	t this c	1	ATIC SEETCH OF WELL
I hereby cer	tify that the inf	ormation above is	true and com	olete to th	ie best	of my know	ledge and	belief.
		Assista	ant Divis:	ion Men	ager		No	ovember 1, 1979
(Signature)			(Tu	le)		<u></u>		(Date)

NOTE: Should univers from the surface owner and all operators within one-half mule of the proposed injection well not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. If at the end of the 15+day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests, SDE NUE 701.

BEFORE EXAMINER NUTTER	
OIL CONSERVATION DIVISION	
macarline EXHIBIT NO. 2	
CASE NO. 6728	_
<mark>ኤኤል</mark> ትስ ሳት አንት ም ርም የፖለቲያ መርቅ የመንከት አስመገኘት የመንከት የሚያን የሚያን የሚያን የሚያን የሚያን የሚያን የሚያን የሚያን	e.,



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BEFORE EXAMINER NUTTER OIL CONSERVATION DIVISION onoco clac EXEMPT NO. 6. ASE NO 6728

FIGURE II



EXHIBIT NO. 7

EAVES "A" PRESSURE MAINTENANCE PROJECT

œ

EMHIBIT NO.

INJECTION WELL: EAVES "A" NO. 10

YEAR	MONTON	BARRELS WA	LOCATED TER PER MONTH		i
1978	MONTH	EAVES "A"	EAVES "B-1"	TOTAL	BARRELS OF WATER CUMULATIVE INJECTION
1978	September	113,639	74,828	210,000	
	October	153,828	66,676		14,183,629
1978	November	121,482	71,963	217,000	14,400,629
1978	December	ţ.		210,000	14,610,629
1979	January	112,271	52,013	217,000	14,827,629
1979	-	49,308	91,818	SI 12-78	
	February	109,261	88,196	196,000	14,827,629
1979	March	132,525	84,892		15,023,629
1979	April	128,891		SI 02-79	15,023,629
1979	Мау		76,085	210,000	15,233,629
1979		103,413	72,917	217,000	15,450,629
	June	168,758	24,697	210,000	
1979	July	128,107	70,336		15,660,629
1979	August	140,626	60,558	217,000	15,877,629
1979	September			217,000	16,094,629
		137,390	77,473	210,000	16,304,629

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Home Office 707 N. Leech, P. O. Box 1499 / Hobbs, NM 88240 / Ph. 505/393-7751, TWX 910/986-0010

Company	Conoco		
Field	Scarborough Yates - 7 f	livers	·
Lease	Eaves A-B, SWD #10	Sampling Date	11-2-79
Type of Sample	Pump Discharge		

	WATER ANALYSIS		
IONIC	FORM	me/l *	mg/l *
Calcium (Ca++)		20.50	410
Magnesium (Mg++)		19.46	234
Sodium (Na+)	(CALCULATED)	102.59	2,359
Iron (Total)			0.31
Bicarbonate (HCO,)		26.19	1,598
Carbonale (CO 7 -)	· · · · · · · · · · · · · · · · · · ·	Not	Found
Hydroxide (OH-)		Not	Found
Sulphate (SO + -)		10.24	492
Chlaride (C1-)		106.12	3,763
	· · · · · · · · · · · · · · · · · · ·		
Total Dissolved Solids			8,855
فسترج والمراجع والمنافع والمنافع والمنافع والمتراجع والمراجع والمراجع والمراجع والمراجع والمنافع والمراجع والمراجع			
			·
7.30 ph c 68 °F			
Dissolved Solids on Evap. at 103° - 105° C			
Hordness as Ca CO,		39.96	1,998
Carbonate Hardness as CaCO ₃ (temporary)		26.19	1,310
Non-Carbonate Hardness as CaCO ₃ (permo	anent)	13.77	688
Alkalinity as CaCO,		26.19	1,310
Specific Gravify c 68° F 1.007			
	·		

mg/l = milligrams per Liter
me/l = milliequivalents per Liter

 $CaCO_3$ S.I. positive @ $86^{O}F$ (1.17) $CaSO_4$ S.I. negative (0.45)

BEFORE EXAMINER NUTTER OIL CONSERVATION DIVISION Canace cline EXHIBIT NO. 9 CASE NO. 6728

U-LAB 31 (REV. 6/78)

1979	1979	1979	1979	1979	1979	1979	1979	1979	1978	1978	1978	1978	YEAR
September	August	July	June	May	Apr11	March	February	January	December	November	October	September	MONTH
137,390	1.40,626	128,107	168,758	103,413	128,891	132,525	109,261	49,308	108,009	121,482	153,828	113,366	ALLOCATED BARRELS WATER PER MCNTH EAVES "A" EAVES "B-
77,473	61,558	70,336	24,697	72,917	76,085	84,892	88,196	91,818	52,013	70,374	66,676	74,829	ALLOCATED WATER PER MCNTH "EAVES "B-1"
214,863	201,184	198,443	193,455	176,330	204,976	217,417	197,457	141,126	160,022	191,856	220,504	188,195	TOTAL
17,911,083	17,696,220	17,495,036	17,296,593	17,103,138	16,926,808	16,721,832	16,504,415	16,306,958	16,165,832	16,005,810	15,813,954	15,593,450	BARRELS OF WATER CUMULATIVE INJECTION

EAVES "A" PRESSURE MAINTENANCE PROJECT

N WELL; MAVES "A" NO. 10

INJECTION WELL;

BEFORE EXAMINER NUTTER OIL CONSERVATION DIVISION Concerne EXHIBIT NO. 8 CASE NO. 6728

EXHIBIT NO. 8



Production Department Hobbs Division Western Hemisphere Patroleum Division Conoco Inc. P. O. Box 460 1001 North Turner Hobbs, NM 68240 (505) 393-4141

**019'

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November 20, 1979

New Mexico Oil Conservation Division Department of Energy and Minerals P.O. Box 2088 Santa Fe, New Mexico 87501

Attention Mr. Dan Nutter

Gentlemen:

Case No. 6728 - Examiner Hearing November 14, 1979 - Eaves "A" Well No. 7

File

In reference to the above-named examiner hearing, we are forwarding three copies of corrected Exhibit No. 8. The exhibit you now have shows a "total" injected volume based on an estimated 7,000 barrels per month. The attached correction shows actual volumes and should replace the previous exhibit.

I am sorry for any inconvenience this might have caused. Should there be any questions concerning this corrected exhibit, I would appreciate a call.

Very truly yours,

1/2 H. A. Ingram

Conservation Coordinator

rej Enc

INJECTION WELL: EAVES "A" NO. 10

YEAR	MONTH	ALLOCATED BARRELS WATER PER MONTH EAVES "A" EAVES "B-	ALLOCATED WATER PER MONTH " <u>EAVES</u> " <u>B-1</u> "	TOTAL	BARRELS OF WATER CUMULATIVE INJECTION
1978	September	113,366	74,829	188,195	15,593,450
1978	October	153,828	65,676	220,504	15,813,954
1978	November	. 121,482	70,374	191,856	16,005,810
1978	December	108,009	52,013	160,022	16,165,832
1979	January	49,308	91,818	141,126	16,306,958
1979	February	109,261	83,196	197,457	16,504,415
1979	March	132,525	84,892	217,417	16,721,832
1979	April	128,891	75,085	204,976	16,926,808
1979	Мау	103,413	72,917	176,330	17,103,138
1979	June	168,758	24,697	193,455	17,296,593
1979	July	128,107	710,336	198,443	17,495,036
1979	August	140,626	61,558	201,184	17,696,220
1979	September	137,390	77,473	214,863	17,911,083

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BEFORE EXAMINER NUTTER OIL CONSERVATION DIVISION Generation EXHIBIT NO. 8 CASE NO. 6728

BEFORE THE OIL CONSERVATION DIVISION ENERGY AND MINERALS DEPARTMENT OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF CONOCO INC. FOR APPROVAL TO CONVERT THEIR EAVES "A" WELL NO. 7, LOCATED 1980' FSL AND 2310' FEL OF SECTION 19, T-26S, R-37E, LEA COUNTY, NEW MEXICO, FROM A TEMPORARY SHUT-IN OIL WELL TO A PRESSURE MAINTENANCE PROJECT WELL IN THE SCARBOROUGH YATES SEVEN RIVERS POOL

OIL CONS PVATION DIVISION SANTA FE Cuse 6728

APPLICATION

Applicant, CONOCO INC., respectfully requests approval to convert its Eaves "A" Well No. 7 from a temporary shut-in oil well to a pressure maintenance project well in the Scarborough Yates Seven Rivers Pool, such well being located in Unit J, 1980' FSL and 2310' FEL of Section 19, T-26S, R-37E, Lea County, New Mexico, and in support thereof will show:

1. Applicant is operator and co-owner of the Eaves "A" Lease consisting of the S/2, S/2 NW/4, NW/4 NW/4 Section 19, and N/2 N/2 Section 30, T-26S, R-36E, Lea County, New Mexico.

2. That the Eaves "A" Well No. 7 was drilled and completed as a producing oil well in the Scarborough Yates Seven Rivers Pool in September 1950.

3. That after producing 274,320 barrels of oil, the well declined below the economic limit and last produced in September 1973, and since October 1973, has been classified as a shut-in oil well, with no remedial or recompletion prospects.

4. That Order Nos. R-3487 and R-3487-A approved the conversion of the Eaves "A" Well No. 10, located in Unit P of Section 19, T-26S, R-37E, Lea County, New Mexico, to a pressure maintenance well, and that injection pressures in that well have increases such that a second injection well is needed.

5. That the proposed conversion is in the best interest of conservation and should result in greater ultimate recovery of oil, thereby preventing waste.

6. That granting this application will not impair correlative rights of any party.

Application Eaves A No. 7 October 19, 1979

WHEREFORE, applicant respectfully requests this application be set for hearing before the Division's duly appointed Examiner and, upon hearing, an order be entered authorizing the conversion of the Eaves "A" Well No. 7 to a pressure maintenance project injection well.

Respectfully submitted,

CONOCO INC.

By

JOHN R. KEMP Assistant Division Manager of Production Hobbs Division

R36E

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R37E





BEFORE THE OIL CONSERVATION DIVISION ENERGY AND MINERALS DEPARTMENT OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF CONOCO INC. FOR APPROVAL TO CONVERT THEIR EAVES "A" WELL NO. 7, LOCATED 1980' FSL AND 2310' FEL OF SECTION 19, T-26S, R-37E, LEA COUNTY, NEW MEXICO, FROM A TEMPORARY SHUT-IN OIL WELL TO A PRESSURE MAINTENANCE PROJECT WELL IN THE SCARBOROUGH YATES SEVEN RIVERS POOL

APPLICATION

Applicant, CONOCO INC., respectfully requests approval to convert its Eaves "A" Well No. 7 from a temporary shut-in oil well to a pressure maintenance project well in the Scarborough Yates Seven Rivers Pool, such well being located in Unit J, 1980' FSL and 2310' FEL of Section 19, T-265, R-37E, Lea County, New Mexico, and in support thereof will show:

1. Applicant is operator and co-owner of the Eaves "A" Lease consisting of the S/2, S/2 NW/4, NW/4 NW/4 Section 19, and N/2 N/2 Section 30, T-26S, R-36E, Lea County, New Mexico.

2. That the Eaves "A" Well No. 7 was drilled and completed as a producing oil well in the Scarborough Yates Seven Rivers Pool in September 1950.

3. That after producing 274,320 barrels of oil, the well declined below the economic limit and last produced in September 1973, and since October 1973, has been classified as a shut-in oil well, with no remedial or recompletion prospects.

4. That Order Nos. R-3487 and R-3487-A approved the conversion of the Eaves "A" Well No. 10, located in Unit P of Section 19, T-26S, R-37E, Lea County, New Mexico, to a pressure maintenance well, and that injection pressures in that well have increases such that a second injection well is needed.

5. That the proposed conversion is in the best interest of conservation and should result in greater ultimate recovery of oil, thereby preventing waste.

6. That granting this application will not impair correlative rights of any party.

- D OIL CONSERVATION DIVISIO SANTA FE

Case 6728

Application Eaves A No. 7 October 19, 1979

WHEREFORE, applicant respectfully requests this application be set for hearing before the Division's duly appointed Examiner and, upon hearing, an order be entered authorizing the conversion of the Eaves "A" Well No. 7 to a pressure maintenance project injection well.

Respectfully submitted,

CONOCO INC.

B lms JOHN R. KEMP

Assistant Division Manager of Production Hobbs Division





BEFORE THE OIL CONSERVATION DIVISION ENERGY AND MINERALS DEPARTMENT OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF CONOCO INC. FOR APPROVAL TO CONVERT THEIR EAVES "A" WELL NO. 7, LOCATED 1980' FSL AND 2310' FEL OF SECTION 19, T-26S, R-37E, LEA COUNTY, NEW MEXICO, FROM A TEMPORARY SHUT-IN OIL WELL TO A PRESSURE MAINTENANCE PROJECT WELL IN THE SCARBOROUGH YATES SEVEN RIVERS POOL

OIL CONDUCTION DIVISION SANTA F.

Euse 6728

<u>APPLICATION</u>

Applicant, CONOCO INC., respectfully requests approval to convert its Eaves "A" Well No. 7 from a temporary shut-in oil well to a pressure maintenance project well in the Scarborough Yates Seven Rivers Pool, such well being located in Unit J, 1980' FSL and 2310' FEL of Section 19, T-26S, R-37E, Lea County, New Mexico, and in support thereof will show:

1. Applicant is operator and co-owner of the Eaves "A" Lease consisting of the S/2, S/2 NW/4, NW/4 NW/4 Section 19, and N/2 N/2 Section 30, T-26S, R-36E, Lea County, New Mexico.

2. That the Eaves "A" Well No. 7 was drilled and completed as a producing oil well in the Scarborough Yates Seven Rivers Pool in September 1950.

3. That after producing 274,320 barrels of oil, the well declined below the economic limit and last produced in September 1973, and since October 1973, has been classified as a shut-in oil well, with no remedial or recompletion prospects.

4. That Order Nos. R-3487 and R-3487-A approved the conversion of the Eaves "A" Well No. 10, located in Unit P of Section 19, T-26S, R-37E, Lea County, New Mexico, to a pressure maintenance well, and that injection pressures in that well have increases such that a second injection well is needed.

5. That the proposed conversion is in the best interest of conservation and should result in greater ultimate recovery of oil, thereby preventing waste.

6. That granting this application will not impair correlative rights of any party.

Application Eaves A No. 7 October 19, 1979

WHEREFORE, applicant respectfully requests this application be set for hearing before the Division's duly appointed Examiner and, upon hearing, an order be entered authorizing the conversion of the Eaves "A" Well No. 7 to a pressure maintenance project injection well.

Respectfully submitted,

CONOCO INC.

By JOHN R. KEMP

Assistant Division Manager of Production Hobts Division





N

L. MARYAN



L. P. Thompson Division Managor

John R. Kemp Assistant Division Manager

Production Department Hobbs Division North American Production

October 19, 1979

Conoco Inc. P. C. Duk 460 1001 North Turner Hobbs, NM 88240 (505) 393-4141

ECEIVED CT C 2 1979

OIL CONSERVATION DIVISION SANTA FE

Care 6728

New Mexico Oil Conservation Division Department of Energy and Minerals P.O. Box 2088 Santa Fe, New Mexico 87501

Attention Mr. Dan Nutter

Gentlemen:

Applications for Conversion to Pressure Maintenance Project Well and Salt Water Disposal Well, Eaves "A" Well No. 7 and Anderson Ranch Unit Well No. 8, Respectively, Lea County, New Mexico

Enclosed are three (3) copies each of the above-named applications. It is respectfully requested that these two cases will be placed on the earliest available docket.

Very truly yours, John K Kemp

HAI:rej Enc

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

CASE NO. 6728 Order No. <u>*R*-6277</u>

application of Conoco Que. For pressure maintenance systemion , her Cambo, han Thuged

ORDER OF THE DIVISION

BY THE DIVISION:

ROUGH

This cause came on for hearing at 9 a.m. on <u>Maw.14</u> 19<u>71</u>, at Santa Fe, New Mexico, before Examiner <u>Den</u> NOW, on this <u>day of <u>Aov</u> <u>Fill</u>, 19<u>80</u>, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,</u>

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof. (2) That the applicant, Conoco, Inc., is the operator of a pressure maintenance project in the Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico, and in this case seeks approval for the expansion of said project by the conversion to water injection into the Yates and Seven Rivers formations of its Exwes "A" Well No. 7 located in Unit J of Section 19, Township 26 South, Range 37 East, NMPM.

(3) That applicant proposes to inject water in said well through 3 1/2-inch internally coated tubing set in a packer at approximately 3030 feet, with perforations from 3082 feet to 3210 feet.

(4) That approval of the proposed pressure maintenance expansion should result in the recovery of additional oil which would otherwise remain unproduced, thereby preventing waste, and will not impair correlative rights, and should be given, provided however, that such expansion should be subject to certain provisions to ensure that underground fresh water supplies in the area are not impaired.

(5) That the casing-tubing annulus should be filled with an inert fluid, and that a pressure gauge or other approved leak detection device should be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

(6) That the applicant should be permitted to use its Eaves "A" Well No. 7 for water injection as described above only after the applicant has submitted to the Hobbs District Office and the Santa Fe Office of the Division those items required by the Division pursuant to the provisions of Division Memorandum 3-77, dated August 24, 1977, and only after taking any remedial action deemed necessary by the Hobbs District Supervisor of the Division on wells within one-half mile of said Eaves "A" well No. 7. (7) That the injection well or injection pressurization system should be so equipped as to limit injection pressure at the wellhead to 620 psi, but the Division Director should have authority to increase said pressure limitation, should circumstances warrant, and if such pressure increase can be accomplished safely.

(8) That subject to the above conditions, the subject application should be approved, and the project should be governed by the provisions of Rules 701, 702, and 703 of the Division Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Conoco, Inc., is hereby authorized to expand its Scarborough Eaves Pressure Maintenance Project by the injection of water into the Yates and Seven Rivers formations through the perforated interval from 3082 to 3210 feet in its Eaves "A" Well No. 7, located in Unit J of Section 19, Township 26 South, Range 37 East, NMPM, Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico.

(2) That injection shall be through internally coated 3 1/2-inch tubing set in a packer at approximately 3030 feet, and the casing-tubing annulus shall be loaded with an inert fluid and equipped with an approved pressure gauge or attentionattracting leak detection device.

(3) That the injection well herein authorized or the injection pressurization system shall be so equipped as to limit injection pressure at the wellhead to no more than 620 psi, provided however, that the Division Director may authorize a higher surface injection pressure upon satisfactory showing that such pressure will not result in fracturing of the confining strata.

- 3-

(4) That the operator shall immediately notify the Hobbs District Office of the Division of the failure of the tubing, casing, or packer in any of the project's injection wells, 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 timely steps as may be necessary or required to correct such failure or leakage.

(5) That the Conoco Scarborough Eaves Pressure Maintenance Project shall be governed by the provisions of Rules 701, 702, and 703 of the Division Rules and Regulations, and monthly reports of the project shall be submitted to the Division in accordance with Rules 704 and 1115 thereof.

(6) That prior to commencement of water injection into its Eaves "A" Well No. 7, applicant shall have submitted to the Hobbs District Office and the Santa Fe Office of the Division those items required pursuant to Division Memorandum No. 3-77 dated August 24, 1977, and shall have taken such remedial action as may be deemed necessary by the Hobbs District Office of the Division on any well within one-half mile of said Eaves "A" Well No. 7.

(7) Jurisdiction ZONE at

-4-