14, 1981 Entered January

## 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. 7104 Order No. R-4633-A

APPLICATION OF CONOCO INC. FOR THE AMENDMENT OF ORDERS NOS. R-4633 AND WFX-462, LEA COUNTY, NEW MEXICO.

## ORDER OF THE DIVISION

## BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 10, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>14th</u> day of January, 1981, 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., seeks the amendment of Division Orders Nos. R-4633 and WFX-462, which authorized the injection of water into applicant's Maljamar Mitchell Waterflood Project, Lea County, New Mexico.

(3) That said orders authorized the injection of water into the Grayburg-San Andres formation in the following described wells in Section 5, Township 17 South, Range 32 East, NMPM, Maljamar Pool, Lea County, New Mexico:

Grace	Mitchell	"B"	Well	No.	2	Unit P
Grace	Mitchell	"B"	Well	No.	5	Unit H
Grace	Mitchell	"B"	Well	No.	6	Unit J

(4) That the applicant now seeks authorization to inject a carbon dioxide "slug" into said wells for purposes of enhancing recovery from said project. -2-Case No. 7104 Order No. R-4633-A

(5) That the injection of carbon dioxide is expected to result in the recovery of an additional 70,000 barrels of oil production from the project.

(6) That the operator should take all steps necessary to ensure that the injected water and carbon dioxide enter only the proposed injection interval and are not permitted to escape to other formations or to the surface from injection, production, or plugged and abandoned wells.

(7) That the injection wells or injection pressurization system should be so equipped as to limit injection pressure at the wellhead to no more than 1800 psi, but the Division Director should have authority to increase said pressure limitation, should circumstances warrant.

(8) That the subject application should be approved and the project should continue to 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 inject carbon dioxide into the Grayburg-San Andres formation in its Maljamar Mitchell Waterflood Project in the following described wells in Section 5, Township 17 South, Range 32 East, NMPM, Maljamar Pool, Lea County, New Mexico:

Grace	Mitchell	"B"	Well	No.	2	Unit P
Grace	Mitchell	"B"	Well	No.	5	Unit H
Grace	Mitchell	"B"	Well	No.	6	Unit J

(2) That injection into each of said wells shall be through internally coated tubing, set in a packer which shall be located as near as practicable to the casing shoe; that the casingtubing annulus of each injection well shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention-attracting leak detection device.

(3) That the operator shall immediately notify the supervisor of the Division's Hobbs district office of the failure of the tubing or packer in any of said injection wells, the leakage of water, carbon dioxide, or oil from or around any producing well, or the leakage of water, carbon dioxide, or oil from 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. -3-Case No. 7104 Order No. R-4633-A

(4) That the injection wells herein authorized and/or the injection pressurization system shall be so equipped as to limit injection pressure at the wellhead to no more than 1800 psi, provided however, 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.

(5) That the applicant shall notify the supervisor of the Division's Hobbs district office of the date and time of the commencement and termination of carbon dioxide injection in order that the Division, at its option, may witness such activities.

(6) That the project shall continue to be governed by provisions of Division Orders Nos. R-4633 and WFX-462 not inconsistent with this order.

(7) That monthly progress reports of the project shall continue to be submitted to the Division in accordance with Rules 704 and 1115 of the Division Rules and Regulations and the operator shall specifically identify carbon dioxide volumes injected on Division Form C-115, Operator's Monthly Report.

(8) 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.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION JÕE D. RAMEY / Director

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