

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 5525 Order No. R-4983-A

APPLICATION OF AMOCO PRODUCTION COMPANY FOR AMENDMENT OF ORDER NO. R-4983, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY_THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 16, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>12th</u> day of August, 1975, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-4983, dated March 11, 1975, the Commission authorized the applicant, Amoco Production Company, to conduct a limited gas injection test in the Tocito Dome-Pennsylvanian "D" Oil Pool, San Juan County, New Mexico, by the injection of produced gas into its Navajo Tribal "U" Well No. 3 and/or its Navajo Tribal "U" Well No. 8, located in Units M and F, respectively, of Section 16, Township 26 North, Range 18 West, NMPM.

(3) That subsequent to the issuance of said Order No. R-4983, the applicant did conduct limited gas injectivity tests, in order to determine the injectivity characteristics of the reservoir and the injection capacity of existing lease gas compressors.

(4) That during said tests, the injectivity characteristics of the reservoir and the capacity of the compressors were both found to be satisfactory.

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(5) That in order to further evaluate the feasibility of large scale gas injection in the subject reservoir, and to determine the reservoir performance effect on adjacent producing wells, the applicant, Amoco Production Company, seeks the amendment of Order No. R-4983 to permit further injectivity tests to be conducted for a period of 120 days, to provide for administrative extension of said 120-day period if necessary without notice and hearing, and to permit injection of gas into the Pennsylvanian "D" formation through two additional wells, applicant's Navajo Tribal "N" Wells Nos. 6 and 12, located in Units G and I, respectively, of Section 17, Township 26 North, Range 18 West, NMPM, as well as into one of the originally authorized gas injection wells, applicant's Navajo Tribal "U" Well No. 3, located in Unit M of Section 16, Township 26 North, Range 18 West, NMPM.

(6) That further gas injectivity testing is in the interest of conservation, might lead to the recovery of otherwise unrecoverable oil thereby preventing waste, will not violate correlative rights, and should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amoco Production Company, is hereby authorized to conduct gas injectivity tests in the Tocito Dome-Pennsylvanian "D" Oil Pool, San Juan County, New Mexico, by the injection of produced gas into the Pennsylvanian "D" formation through its Navajo Tribal "N" Wells Nos. 6 and 12, located in Units G and I, respectively, of Section 17, Township 26 North, Range 18 West, NMPM and through its Navajo Tribal "U" Well No. 3, located in Unit M of Section 16, Township 26 North, Range 18 West, NMPM.

PROVIDED HOWEVER, that injection into the aforesaid wells shall be permitted only during the 120-day period following commencement of injection into any of said wells after the date of entry of this order.

PROVIDED FURTHER, that injection into each of said wells shall be through 2 7/8-inch tubing under a packer set within one hundred feet of the uppermost perforation, that the annulus shall be loaded with inhibited fluid, and that an approved leak detection device shall be attached to the annulus to determine leakage of the tubing or packer.

(2) That the operator shall notify the Aztec district office of the Commission and all operators in said Tocito Dome-Pennsylvanian "D" Pool of the date and time gas injection is to be commenced into each of the aforesaid wells.

(3) That the Secretary-Director of the Commission is hereby authorized to extend the 120-day injectivity test period for an additional 120 days upon proper showing by the applicant of the need for such extension, and in the absence of objection from any other operator in the Tocito Dome-Pennsylvanian "D" Oil Pool.

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(4) That upon completion of the gas injectivity tests, the operator shall file with the Aztec and Santa Fe Offices of the Commission a report setting out the pertinent details of the tests, including gas volumes and injection pressures.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION . ducer try PHIL R. LUCERO, Member Mlit JOE D. RAMEY, Member & Secretary

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