

Entered October 25, 1977

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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. 6038
Order No. R-5547

APPLICATION OF W. RIDLEY WHEELER
ESTATE FOR A WATERFLOOD PROJECT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 28, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of October, 1977, 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 the applicant, W. Ridley Wheeler Estate, seeks authority to institute a waterflood project on its Markham Lease, in an undesignated San Andres Pool, by the injection of water into the San Andres formation through its Markham Well No. 2 to be drilled 1980 feet from the South line and 25 feet from the East line of Section 28, Township 9 South, Range 35 East, NMPM, Lea County, New Mexico, through the open-hole interval from approximately 4800 feet to 4870 feet.

(3) That the producing well in the project area is in an advanced state of depletion and should properly be classified as a "stripper" well.

(4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

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(5) That the operator should 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 from injection, production, or plugged and abandoned wells.

(6) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, W. Ridley Wheeler Estate, is hereby authorized to institute a waterflood project on its Markham Lease, in an undesignated San Andres Pool, by the injection of water into the San Andres formation through its Markham Well No. 2 to be drilled 1980 feet from the South line and 25 feet from the East line of Section 28, Township 9 South, Range 35 East, NMPM, Lea County, New Mexico, through the open-hole interval from 4800 feet to 4870 feet.

(2) That injection into said well shall be through internally coated tubing, set in a packer which shall be located as near as practicable to the uppermost perforation; that the casing-tubing 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 Commission's Hobbs district office of the failure of the tubing or packer in said injection well, the leakage of water or oil from around any producing well, or the leakage of water 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.

(4) That the injection well or injection system should be equipped with a pop-off valve or other suitable device which will limit the wellhead pressure on the injection well to no more than 960 psi.

(5) That the operator should notify the Supervisor of the Hobbs district office of the Commission of the date and time of installation of the injection equipment so that the same may be inspected prior to being placed in operation.

(6) 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.

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(7) That the subject waterflood project is hereby designated the Wheeler Estate Markham Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(8) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

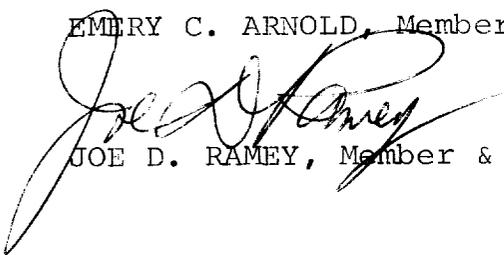
(9) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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