

Entered December 18, 1981
JHR

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. 7400
Order No. R-6857

APPLICATION OF TEXACO INC. FOR
A PRESSURE MAINTENANCE PROJECT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 4, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of December, 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, Texaco, Inc., seeks authority to institute a pressure maintenance project in its North Vacuum Abo West Unit Area, North Vacuum-Abo Pool, Lea County, New Mexico, by the injection of water into the Abo formation through the following wells:

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TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM

| <u>North Vacuum Abo West Unit Well Number</u> | <u>Unit Letter</u> | <u>Section</u> |
|---------------------------------------------------|------------------------|----------------|
| 2 | F | 15 |
| 4 | N | 15 |
| 6 | H | 21 |
| 7 | F | 22 |
| 10 | N | 21 |
| 11 | P | 21 |
| 12 | N | 22 |
| 16 | F | 28 |
| 17 | H | 28 |
| 18 | F | 27 |
| 21 | P | 28 |
| 22 | N | 27 |
| 25 | L | 34 |

(3) That there are 25 wells completed in the North Vacuum-Abo Pool in the unit area, and these wells are currently producing a total of approximately 296 barrels of oil per day, for an average daily rate of production of 11.8 barrels of oil per well.

(4) That considering the depth of the Abo reservoir in the unit area, from approximately 8700 feet to approximately 8900 feet, 11.8 barrels per day should be considered "stripper" production, and the subject project, under the provisions of Rule 701 F of the Division Rules and Regulations, should be classified as a waterflood project rather than a pressure maintenance project.

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

(6) That the operator should take all necessary steps 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.

(7) That based on the data submitted in Case No. 6248 relating to injection pressures in the North Vacuum Abo Pool, which was incorporated by reference into the record of the



instant case, the injection wells or injection pressurization system for the subject project should be so equipped as to limit injection pressure at the wellhead to no more than 3500 psi, but the Division Director should have authority to increase such pressure limitation, should conditions warrant.

(8) That the subject application should be approved and the project should be governed by the provisions of Rules 701 through 708 of the Division Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to institute a waterflood project on its North Vacuum Abo West Unit Area, North Vacuum-Abo Pool, by the injection of water into the Abo formation through the following described wells in Township 15 South, Range 34 East, NMPM, Lea County, New Mexico:

| <u>North Vacuum Abo West Unit Well Number</u> | <u>Unit Letter</u> | <u>Section</u> |
|---------------------------------------------------|------------------------|----------------|
| 2 | F | 15 |
| 4 | N | 15 |
| 6 | H | 21 |
| 7 | F | 22 |
| 10 | N | 21 |
| 11 | P | 21 |
| 12 | N | 22 |
| 16 | F | 28 |
| 17 | H | 28 |
| 18 | F | 27 |
| 21 | P | 28 |
| 22 | N | 27 |
| 25 | L | 34 |

(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 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 Division's Hobbs district office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from or around any producing well,

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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 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 3500 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.

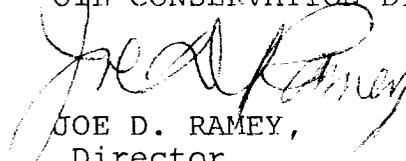
(5) That the subject waterflood project is hereby designated the North Vacuum Abo West Waterflood Project and shall be governed by the provisions of Rules 701 through 708 of the Division Rules and Regulations.

(6) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Division in accordance with Rules 706 and 1115 of the Division Rules and Regulations.

(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.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

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