

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Governor

**David Martin**  
Cabinet Secretary

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Deputy Cabinet Secretary

**Jami Bailey, Division Director**  
Oil Conservation Division



Administrative Order PMX-273  
November 7, 2014

**ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Division Order R-4430, as amended, Cross Timbers Energy, LLC, (OGRID No. 298299) has made application to the Division for permission to add six (6) additional injection wells to its North Vacuum-Abo Unit Pressure Maintenance Project located within the Vacuum; Abo, North Pool (Pool code 61760) in Lea County, New Mexico. These wells are being proposed for infill of injection points within the Project area. The six wells are currently production wells that are proposed for conversion using existing perforation intervals within the Unitized formation.

**THE DIVISION DIRECTOR FINDS THAT:**

The application has been duly filed under the provisions of Division Rule 19.15.26.8B NMAC and satisfactory information has been provided that affected parties as defined in said rule have been notified and no objections remain outstanding. The proposed wells are eligible for conversion to injection under the terms of that rule. The applicant has presented satisfactory evidence that all requirements prescribed in Division Rule 19.15.26.8 NMAC have been met and the operator is in compliance with Division Rule 19.15.5.9 NMAC.

The proposed expansion of the above-referenced pressure maintenance project, will prevent waste, is in the best interests of conservation, will not impair correlative rights, and should be approved.

**IT IS THEREFORE ORDERED THAT:**

Cross Timbers Energy, LLC, as operator, is hereby authorized to inject water into the following well for the purpose of enhanced recovery through plastic or fiberglass lined tubing set into a packer:

| API          | Well No                               | Unit | Sec | Twp  | Rng  | Footage<br>N/S | Footage<br>E/W | Approved<br>Injection<br>Interval<br>(in feet) | Maximum<br>Surface<br>Injection<br>Pressure |
|--------------|---------------------------------------|------|-----|------|------|----------------|----------------|--|---|
| 30-025-28315 | North Vacuum-Abo<br>Unit Well No. 235 | K    | 24  | 17 S | 34 E | 1880<br>FSL    | 2000<br>FWL    | 8474 to 8515                                   | 1695 psi                                    |
| 30-025-28601 | North Vacuum-Abo<br>Unit Well No. 241 | K    | 26  | 17 S | 34 E | 1882<br>FSL    | 2001<br>FWL    | 8462 to 8666                                   | 1692 psi                                    |
| 30-025-28919 | North Vacuum-Abo<br>Unit Well No. 269 | A    | 15  | 17 S | 34 E | 660<br>FNL     | 660<br>FEL     | 8664 to 8704                                   | 1733 psi                                    |
| 30-025-29233 | North Vacuum-Abo<br>Unit Well No. 276 | I    | 27  | 17 S | 34 E | 2050<br>FNL    | 652<br>FEL     | 8544 to 8706                                   | 1709 psi                                    |
| 30-025-29238 | North Vacuum-Abo<br>Unit Well No. 281 | A    | 23  | 17 S | 34 E | 800<br>FNL     | 550<br>FEL     | 8484 to 8543                                   | 1697 psi                                    |
| 30-025-29610 | North Vacuum-Abo<br>Unit Well No. 300 | K    | 10  | 17 S | 34 E | 1980<br>FSL    | 1980<br>FWL    | 8748 to 8783                                   | 1750 psi                                    |

The approved injection intervals shall be established using existing perforations at the time of application and listed in the summary table. The approved maximum surface tubing injection pressure shall be determined by the administrative pressure gradient of 0.2 pounds per square inch (psi) per foot and shall be no more than the pressure listed for each well. The operator shall set the injection packer no more than 100 feet above the top perforation.

**IT IS FURTHER ORDERED THAT:**

The operator shall take all steps necessary to ensure that the injected fluid enters only the approved injection interval and is not permitted to escape to other formations or onto the surface.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The wells shall pass an initial mechanical integrity test ("MIT") prior to initially commencing injection and prior to resuming injection each time any injection packer is unseated. All MIT procedures and schedules shall follow the requirements in Division Rule 19.15.26.11A. NMAC. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in the wells.

The wellhead injection pressure on each well shall be limited to the approved maximum surface tubing injection pressure listed above. In addition, the injection well or header system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressures to the maximum allowable pressures for these wells.

Subject to the limitations within the hearing order permitting this project, the Division Director may authorize an increase in tubing pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluids from the approved injection interval. Such proper showing shall be demonstrated by sufficient evidence

including but not limited to an acceptable Step-Rate Test.

The operator shall notify the supervisor of the Division's District I office of the date and time of the installation of injection equipment and of any MIT so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of injection to the Division's District office. The operator shall submit monthly reports of the disposal operations on Division Form C-115, in accordance with Division Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Division Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the Division's District I office of any failure of the tubing, casing or packer in the approved injection wells, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

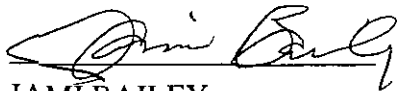
The injection authority granted under this Order is not transferable except upon Division approval. The Division may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

The Division may revoke this injection permit after notice and hearing if the operator is in violation of Division Rule 19.15.5.9 NMAC.

Compliance with this Order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

The subject wells shall be governed by all provisions of Division Order No. R-4430, as amended, and Division Rules 19.15.26.9 NMAC through 19.15.26.13 NMAC not inconsistent herewith.

Jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the disposal authority granted herein.



JAMI BAILEY  
Director

JB/prg

cc: Oil Conservation Division – Hobbs District Office  
State Land Office - Oil, Gas and Minerals Division  
Case No. 4831