

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

January 5, 1987

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 97501 (505) 827-5800

Benson-Montin-Greer Drilling Corp. 221 Petroleum Center Building Farmington, New Mexico 87401

Attention: A. R. Greer

Re: Amendment of

Order No. PMX-38

Dear Sir:

Reference is made to your request dated December 3, 1986, to amend Division Order No. PMX-38. This order authorized the use of the Canada Ojitos Unit Well No. 17, located 1980 feet from the North and East lines of Section 1, Township 24 North, Range 1 West, NMPM, Rio Arriba County, New Mexico, as a gas injection well within the West Puerto Chiquitos-Mancos Pressure Maintenance Project. It is our understanding that you wish to change the mechanical configuration of the well so as to utilize the casing-tubing annulus for gas injection into the "A" and "B" zones of the Niobrara formation, and to further run a string of 2 3/8 inch tubing to be used for gas injection into the "C" zone of said Niobrara formation. From the gas analysis that was sent with the application, it appears that corrosion should not be a problem in the well.

You are therefore authorized to alter the mechanical configuration of the Canada Ojitos Unit Well No. 17, located as described above, so as to utilize the casing-tubing annulus for gas injection into the Niobrara formation, subject to the following conditions:

- 1) All planned mechanical changes in the well shall be submitted to the supervisor of the Division's Aztec District Office for approval.
- 2) The Division may require the running of a CBL, casing inspection log, or other log in order to determine mechanical integrity in the well.
- 3) This authority will terminate if it becomes apparent that the injected gas is not being confined to the injection interval.

Sincerely,

Charles Roybal, Acting Director

OCD-Aztec D. Catanach xc: