



New Mexico Energy, Minerals and Natural Resources Department

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Administrative Order WFX-879

January 11, 2011

Jalyn N. Fiske
ConocoPhillips Company
3300 N. "A" Street, Bldg. 6
Midland, TX 79705

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order R-2403-B, ConocoPhillips Company has made application (*administrative application reference No. pTGW1030933199*) to the Division for permission to add 13 water injection wells to its Maljamar Cooperative Agreement (MCA) Unit Waterflood Project in the Maljamar; Grayburg San Andres Pool (43329) in Lea County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

The application was filed in due form. No objections have been filed within the waiting period prescribed by Division Rule 26.8C(2). The proposed injection wells are eligible for conversion to injection under the terms of Rule 26.8. The operator is in compliance with Rule 5.9.

The proposed expansion of the above-referenced waterflood 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:

ConocoPhillips Company (OGRID No. 217817) is hereby authorized to inject water into the Maljamar; Grayburg and San Andres formations at approximately 3500 feet to approximately 4300 feet through plastic-lined tubing set in packers located within 100 feet of the top of the injection intervals in the following-described wells for purposes of secondary recovery:



API	MCA Well #	Unit	Sec	Tsp	Rge	Top Perf	Bot Perf	Tubing	Pressure
30-025-37879	393	H	29	17S	32E	3770	4173	2.375	2150
30-025-38859	405	C	34	17S	32E	4033	4272	2.375	2150
30-025-39306	453	E	26	17S	32E	3906	4123	2.375	2150
30-025-39315	458	M	26	17S	32E	4095	4277	2.375	2150
30-025-39324	465	K	26	17S	32E	4016	4274	2.375	2150
30-025-39402	481	M	28	17S	32E	3776	4035	2.375	2150
30-025-39403	485	K	28	17S	32E	3784	3999	2.375	2150
30-025-39355	486	I	28	17S	32E	3830	4051	2.375	2150
30-025-39432	489	A	33	17S	32E	3914	4166	2.375	2150
30-025-39322	491	C	33	17S	32E	3852	4186	2.375	2150
30-025-39433	492	G	33	17S	32E	3894	4180	2.375	2150
30-025-39766	480	O	28	17S	32E	3858	4090	2.375	2150
30-025-39409	472	E	27	17S	32E	3804	4036	2.375	2150

IT IS FURTHER ORDERED 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.

Prior to commencing injection operations into these wells, the casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing or packer.

The injection wells or injection system shall be equipped with pressure limiting devices which will limit the wellhead pressure to the maximum surface injection pressure described above.

The Director of the Division may authorize increases in injection pressure upon a proper showing by the operator that higher pressure will not result in migration of the injected fluid from the permitted injection interval or harmful formation fracturing. Such proper showing shall consist of valid step-rate tests and possibly injection profiles or pressure transient testing run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the District Office of the date and time of the installation of injection equipment and of all mechanical integrity tests so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the District Office of the failure of the tubing, casing or packer in said wells and shall take such steps as may be timely and necessary to correct such failure or leakage.

The subject wells shall be governed by all provisions of Division Order No. R-2403-B, and Rules 26.9 through 26.13 not inconsistent herewith.

PROVIDED FURTHER THAT, 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 water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into at least one of the subject wells, provided however, the Division, upon written request by the operator received prior to the one year deadline, may grant an extension thereof for good cause shown.



Daniel Sanchez
Acting Division Director

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cc: Oil Conservation Division –Hobbs