OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

May 9, 1978

J. J. Travis & Company Box 873 Midland, Texas 79702

Re: Administrative Order WFX No. 461

Gentlemen:

Enclosed herewith please find Administrative Order WFX No. 461 for the following described well:

North Shugart Queen Unit Well No. 7, located in Unit L of Section 21, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico.

Very truly yours,

JOE D. RAMEY Division Director

JDR/CU/og

cc: Oil Conservation Commission Drawer DD

Artesia, New Mexico

APPLICATION OF J. J. TRAVIS & COMPANY TO EXPAND ITS WATER FLOOD PROJECT IN THE SHUGART POOL IN EDDY COUNTY, NEW MEXICO

ORDER WFX NO. 461

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Orders No. R-3870, J. J. Travis & Company has made application to the Division on April 24, 1978, for permission to expand its North Shugart Queen Waterflood Project in the Shugart Pool in Eddy County, New Mexico.

NOW, on this 9th day of May, 1978, the Division Director finds:

- 1. That application has been filed in due form.
- 2. That satisfactory information has been provided that all offset operators have been duly notified of the application.
- 3. That no objection has been received within the waiting period as prescribed by Order No. R-3870.
- 4. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-3870.
- 5. That the proposed expansion of the above referenced water flood project will not cause waste nor impair correlative rights.
 - 6. That the application should be approved

IT IS THEREFORE ORDERED:

That the applicant, J. J. Travis & Company, be and the same is hereby authorized to inject water into the Queen formation through plastic-lined tubing set in a packer at approximately 3160 feet in the following described well for purposes of secondary recovery to wit:

North Shugart Queen Unit Well No. 7, located in Unit L of Section 21, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico.

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.

That 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.

That the injection well or system shall be equipped with a pop-off valve or device which will limit the wellhead pressure to a maximum of 640 pounds per square inch; provided however that the Division Director of the Division may administratively authorize a pressure limitation in excess of the above upon the operator's establishing that such higher pressure will not result in fracturing of confining strata.

That the operator shall notify the supervisor of the

Division's Artesia District Office before injection is commenced through said well;

That the operator shall immediately notify the Supervisor of the Division's Artesia District Office of the failure of the tubing, casing, or packer in said well or the leakage of water from or around said well and shall take such steps as may be timely or necessary to correct such failure or leakage.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OTL CONSERVATION COMMISSION

JOE D. RAMEY

Division Director

SEAL