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

June 13, 1978

Continental Oil Company P. O. Box 460 Hobbs, New Mexico 88240

Re: Administrative Order WFX No. 462

Gentlemen:

Enclosed herewith please find Administrative Order WFX No. 462 for the following described well:

Grace Mitchell "B" Well No. 5, located in Unit H of Section 5, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico.

Very truly yours,

JOE D. RAMEY Secretary-Director

JDR/CU/og

cc: Oil Conservation Division

Box 1980

Hobbs, New Mexico 88240

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APPLICATION OF CONTINENTAL OIL COMPANY TO EXPAND ITS WATER FLOOD PROJECT IN THE MALJAMAR POOL IN LEA COUNTY, NEW MEXICO.

ORDER WFX NO. 462

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-4633, Continental Oil Company has made application to the Division on May 29, 1978, for permission to expand its Maljamar Mitchell Waterflood Project in the Maljamar Pool in Lea County, New Mexico.

NOW, on this 13th day of June, 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-4633.
- 4. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-4633.
- 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, Continental Oil Company, be and the same is hereby authorized to inject water into the Grayburg and San Andres formations through plastic-lined tubing set in a packer at approximately 3830 feet in the following described well for purposes of secondary recovery, to wit:

Grace Mitchell "B" Well No. 5, located in Unit H of Section 5, Township 17 South, Range 32 East, NMPM, Lea 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 operator shall notify the supervisor of the Division's Hobbs District Office before injection is commenced through said well;

Order WFX No. 462

That the operator shall immediately notify the Supervisor of the Division's Hobbs 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

OIL CONSERVATION DIVISION

JOE D. RAMEY

Division Director

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