



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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APPLICATION OF HIXON DEVELOPMENT COMPANY
TO EXPAND ITS WATERFLOOD PROJECT IN THE LOWER
GALLUP OIL POOL IN SAN JUAN COUNTY, NEW MEXICO.

ORDER No. WFX-528

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-1636-A, Hixon Development Company has made application to the Division on April 27, 1984, for permission to expand its Central Bisti Unit Waterflood Project in the Lower Gallup Oil Pool in San Juan County, New Mexico.

NOW, on this 23rd day of July, 1984, 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 Rule 701B.
4. That the proposed injection well is eligible for conversion to water injection under the terms of Rule 701.
5. That the proposed expansion of the above referenced Waterflood project will not cause waste nor impair correlative rights.
6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Hixon Development Company, be and the same is hereby authorized to inject water into the Lower Gallup Sand formation through plastic-lined tubing set in a packer at a maximum of 100 feet from the highest injection interval in the following described wells for purposes of waterflood to wit:

CBU Well No. 21, Unit E, Sec. 7, T-25-N, R-12-W
San Juan County
Maximum Surface Injection Pressure: 975 psig.

CBU Well No. 52, Unit O, Sec. 31, T-26-N, R-12-W,
San Juan County
Maximum Surface Injection Pressure: 964 psig.

CBU Well No. 53, Unit G, Sec. 5, T-25-N, R-12-W,
San Juan County
Maximum Surface Injection Pressure: 956 psig.

CBU Well No. 56, Unit M, Sec. 5, T-25-N, R-12-W,
San Juan County
Maximum Surface Injection Pressure: 925 psig.

CBU Well No. 57, Unit O, Sec. 5, T-25-N, R-12-W,
San Juan County
Maximum Surface Injection Pressure: 954 psig.

CBU Well No. 63, Unit E, Sec. 8, T-25-N, R-12-W,
San Juan County
Maximum Surface Injection Pressure: 958 psig.

CBU Well No. 64, Unit G, Sec. 7, T-25-N, R-12-W,
San Juan County
Maximum Surface Injection Pressure: 965 psig.

CBU Well No. 66, Unit M, Sec. 32, T-26-N, R-12-W,
San Juan County
Maximum Surface Injection Pressure: 961 psig.

CBU Well No. 73, Unit O, Sec. 8, T-25-N, R-12-W,
San Juan County
Maximum Surface Injection Pressure: 950 psig.

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 (in each well) 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 wells or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection wells to no more than 0.2 psi per foot of depth to the uppermost injection interval on each well. (note well list for individual well pressure limits.

That the Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said wells that such higher pressure will not result in migration of the injected fluid from the Gallup formation. That such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

That the operator shall notify the supervisor of the Division's Aztec District Office before injection is commenced through said wells.

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

That the subject wells shall be governed by all provisions of Division Order No. R-1636-A and Rules 702, 703, 704, 705, and 706 not inconsistent herewith.

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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