



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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APPLICATION OF CONOCO, INC. TO EXPAND ITS
WATERFLOOD PROJECT IN THE SOUTH EUNICE SEVEN
RIVERS QUEEN POOL IN LEA COUNTY, NEW MEXICO

ORDER NO. WFX-568

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-4068, Conoco, Inc. has made application to the Division on November 9, 1987 for permission to expand its South Eunice Unit Waterflood Project in the South Eunice Seven Rivers Queen Pool in Lea County, New Mexico.

NOW, on this 10 day of December, 1987, the Division Director finds that:

- (1) The application has been filed in due form.
- (2) Satisfactory information has been provided that all offset operators have been duly notified of the application.
- (3) No objection has been received within the waiting period as prescribed by Rule 701(B).
- (4) The proposed injection wells are eligible for conversion to water injection under the terms of Rule 701.
- (5) The proposed expansion of the above referenced waterflood project will not cause waste nor impair correlative rights.
- (6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, Conoco, Inc., be and the same is hereby authorized to inject water into the Seven Rivers Queen formation at approximately 3620 feet to approximately 3795 feet through 2 3/8-inch plastic lined tubing set in a packer located approximately within 100 feet of the uppermost perforations in the following described well(s) for purposes of secondary recovery to wit:

WELL AND LOCATION

MAXIMUM SURFACE
INJECTION PRESSURE

South Eunice Unit No. 9
2310 FNL & 1980 FWL
(Unit F) Section 22;

724 PSIG

South Eunice Unit No. 32
660 FSL & 660 FWL
(Unit M) Section 21;

737 PSIG

South Eunice Unit No. 52
660 FNL & 1980 FWL
(Unit C) Section 33; and

729 PSIG

South Eunice Unit No. 58
1980 FSL & 1980 FWL
(Unit K) Section 33;

725 PSIG

all located in Township 22 South, Range 36 East, NMPM.

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 the wells, the casing (in each well) shall be pressure from the surface to the packer setting depth to assure the integrity of said casing.

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.

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 .2 psi/ft. of depth to the uppermost perforation.

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 Seven Rivers Queen formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

Prior to commencing injection operations into the South Eunice Unit Well Nos. 52 and 58, the operator shall re-enter the Conoco South Eunice Well No. 51 located 660 feet from the North line and 660 feet from the West line (Unit D), of Section 33, Township 22 South, Range 36 East, NMPPM, and plug said well in manner adequate to confine the injected fluid to the proposed injection zone or in a manner satisfactory to the supervisor of the Hobbs district office of the Division.

The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment, of the mechanical integrity tests and of any workover operations on said Conoco South Eunice Unit No. 51 well, so that the same may be inspected and witnessed.

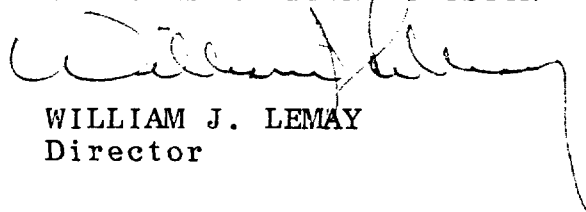
The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of tubing, casing, or packer in said wells and shall take such steps as may be timely and necessary to correct such failure or leakage.

The subject wells shall be governed by all provisions of Division Order No. R-4068 and Rule 702 - 706 of the Division Rules and Regulations not inconsistent herewith.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

DONE at Santa Fe, New Mexico, on this 10 day of December, 1987.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

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