



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

APPLICATION OF SHELL WESTERN E & P INC.
TO EXPAND ITS PRESSURE MAINTENANCE PROJECT
IN THE HOBBS (GRAYBURG-SAN ANDRES) POOL IN
LEA COUNTY, NEW MEXICO.

ORDER No. PMX-133

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-6199, Shell Western E & P Inc. has made application to the Division on November 27, 1984, for permission to expand its Pressure Maintenance Project in the Hobbs (Grayburg-San Andres) Pool in Lea County, New Mexico.

NOW, on this 11th day of January, 1985, 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 Pressure Maintenance project will not cause waste nor impair correlative rights.
6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Shell Western E & P Inc., 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 3955 feet in the following described well for purposes of Pressure Maintenance to wit:

North Hobbs (Grayburg-San Andres) Unit
Well No. 221
2310' FNL & 1320' FWL of Sec. 33, T-18-S, R-38-E, NMPM
Lea County,, New Mexico

That injection may not commence into said well until the applicant has addressed cement in this well up to Division standards. The Hobbs District Office should be consulted in devising a cement squeeze program and final approval to commence injection shall come from said District Office. If it is determined by our Hobbs District Office that remedial action was ineffective, this administrative order shall become null and void.

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 well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to no more than 810 psi.

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

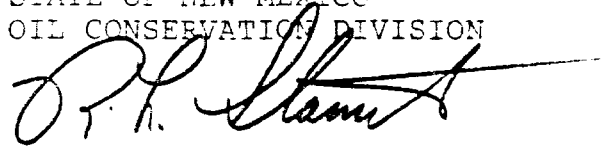
That the operator shall notify the supervisor of the Division's Hobbs District Office before injection is commenced through said well.

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.

That the subject well shall be governed by all provisions of Division Order No. R-6199 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

A handwritten signature in black ink, appearing to read "R. L. Stamets", is written over the typed name. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

R. L. STAMETS,
Director

S E A L



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161

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

RE: Proposed:

MC	_____
DHC	_____
NSL	_____
NSP	_____
SWD	_____
WFX	_____
PMX	_____ X

RECEIVED
OIL CONSERVATION DIVISION
SANTA FE

Gentlemen:

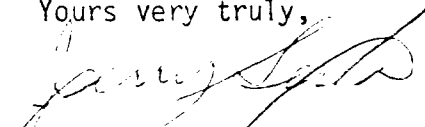
I have examined the application for the:

Shell Western E&P Inc.	N. Hobbs (G/SA) Unit Sec. 33	#221-F	33-18-38
Operator	Lease & Well No.	Unit	S-T-R

and my recommendations are as follows:

They need to address cement this well up to standard now instead of later---J.S.

Yours very truly,


Jerry Sexton
Supervisor, District 1

/mc



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HOBBS DISTRICT OFFICE

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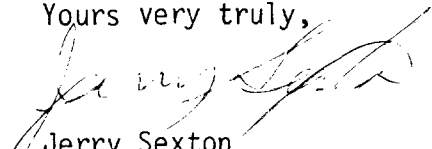
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