



**MONTGOMERY
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2009 JUL -7 P 3: 50

July 7, 2009

Florene Davidson
New Mexico Oil Conservation Commission
1220 S. St. Francis Drive
Santa Fe, NM 87505

Hand Delivered

Case 14356

Re: Application of Energen Resources Corporation to Amend Order No. R-10448 to Authorize the Injection of Water for Pressure Maintenance Operations for the West Lovington-Strawn Unit, Lea County, New Mexico

Dear Ms. Davidson:

Enclosed for filing are the original and one copy of the Application of Energen Resources Corporation in the above-referenced matter.

On behalf of the Applicant, we ask that this matter be set for examiner hearing on August 6, 2009. A proposed advertisement is also enclosed.

Thank you.

Very truly yours,

J. Scott Hall

JSH:kw
Enclosure

REPLY TO:

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Case 14356 : *Application of Energen Resources Corporation to Amend Order No. R-10448 to Authorize the Injection of Water for Pressure Maintenance Operations for the West Lovington-Strawn Unit, Lea County, New Mexico.* Applicant seeks approval to convert the following well for the injection of water in connection with pressure maintenance operations in the West Lovington Strawn Unit:

West Lovington Strawn Unit Well No. 8-R

API No. 30-025-32291-01

1980' from the north line and 660' from the south line (Unit L)

Section 34

T-15-S, R-35-E, NMPM

Applicant proposes to convert and utilize the well for injection of water through a closed system into the Strawn formation, West Lovington Strawn Pool, through perforations at depths of 11,520' to 11,592'. Injection operations will be conducted at an anticipated average daily injection pressure of 850 psi with a maximum surface injection pressure of 1,950 psi or as permitted by the Division. Applicant proposes injection of water at average daily rates of approximately 4,000 bbls and at maximum daily rates of approximately 5,000 bbls. The source of the injected fluids will be produced water from area Strawn formation wells. The well is located approximately 2 ½ miles northwest of Lovington, New Mexico.

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STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION

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IN THE MATTER OF THE APPLICATION OF
ENERGEN RESOURCES CORPORATION TO
AMEND ORDER NO. R-10448 TO AUTHORIZE
THE INJECTION OF WATER FOR PRESSURE
MAINTENANCE OPERATIONS FOR THE WEST
LOVINGTON-STRAWN UNIT, LEA COUNTY, NEW
MEXICO.

CASE NO. 14356

APPLICATION

ENERGEN RESOURCES CORPORATION, ("Energen"), through its undersigned counsel, Montgomery and Andrews, P.A. (J. Scott Hall, Esq.), applies pursuant to 19.15.26.8 NMAC for an order amending Order No. R-10448 authorizing the injection of water for pressure maintenance operations in the West Lovington Strawn Unit, West Lovington-Strawn Pool (40875) in Lea County, New Mexico. In support of its Application, Energen states:

1. Applicant is the successor Operator of the West Lovington Strawn Unit ("WLSU") in the West Lovington-Strawn Pool (40875) underlying the following lands in Lea County, New Mexico:

TOWNSHIP 15 SOUTH, RANGE 35 EAST NMPM

Section 28: S/2 S/2
Section 32: E/2 E/2
Section 33: All
Section 34: S/2 NE/4, W/2, and SE/4
Section 35: W/2 SW/4

TOWNSHIP 16 SOUTH RANGE 35 EAST NMPM

Section 1: Lots 1 through 11 and the N/2 and SE/4 equivalents of Lot 12.

TOWNSHIP 16 SOUTH RANGE 36 EAST NMPM

Section 5: Lots 3, 4 and 5

Section 6: Lots 1, 2, 6, 7 and 8

2. In October 1995, under the authority of Division Order No. R-10448 issued in Case No. 11194 on August 29, 1995, the Unit Operator instituted the West Lovington Strawn Unit pressure maintenance project by the commencement of gas injection operations within the WLSU. Pressure maintenance operations continue to facilitate the efficient recovery of hydrocarbon resources. Energen seeks authorization to utilize the injection of water in order to maintain ongoing enhanced recovery operations.

3. Energen operates the following well in connection with unit operations:

West Lovington Strawn Unit Well No. 8-R

API No. 30-025-32291-01

1980' FNL and 660' FSL (Unit L)

Section 34

T-15-S, R-35-E, NMPM

4. The WLSU No. 8-R is drilled to a total depth of 11,887' and originally operated as a unit producer. In connection with unit pressure maintenance operations, Applicant proposes to convert and utilize the well for injection of water through a closed system into the Strawn formation, West Lovington Strawn Pool, through perforations at depths of 11,520' to 11,592'.

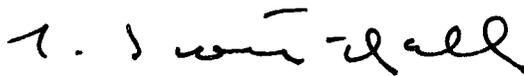
5. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 850 psi with a maximum surface

injection pressure of 1,950 psi or as permitted by the Division. Applicant proposes injection of water at average daily rates of approximately 4,000 bbls and at maximum daily rates of approximately 5,000 bbls. The source of the injected fluids will be produced water from area Strawn formation wells that have been drilled and are scheduled to be drilled in the WLSU.

6. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE, Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on August 6, 2009 and that after notice and hearing as required by law, the Division enter its Order approving the conversion of the Energen WLSU Well No. 8R for the injection of water into the Strawn formation at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

Montgomery and Andrews, P.A.

By: 
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Attorneys for Energen Resources Corporation