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APPLICATION OF MCCLELLAN OIL O.C.D. CORPORATION TO EXPAND ITS WATERFLOOD PROJECT IN THE SULIMAR QUEEN POOL IN CHAVES COUNTY, NEW MEXICO

ORDER WFX NO. 486

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-4290, McClellan Oil Corporation made application to the Division on July 19, 1980, for permission to expand its Sulimar Queen Unit Waterflood Project in the Sulimar Aueen Pool in Chaves County, New Mexico.

Now, on this 23rd day of July, 1980, the Division Director finds:

1. That application has been filed in due form.

2. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-4290.

3. That the proposed expansion of the above referenced water flood project will not cause waste nor impair correlative rights.

4. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, McClellan Oil Corporation, be and is hereby hereby authorized to inject water into the Queen formation through plastic-lined tubing set in a packer at approximately 1895 feet in the following described well for purposes of secondary recovery, to wit:

Sulimar Queen Unit Tract 1 No. 11 in Unit K of Section 24, Township 15 South, Range 29 East, NMPM, Chaves County, New Mexico, and through plastic-lined tubing set in a packer at approximately 1895 feet in the following described well for purposes of secondary recovery, to wit:

Sulimar Queen Unit Tract 1 No. 14 in Unit K of Section 24, Township 15 South, Range 29 East, NMPM, Chaves 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 injection well or system shall be equipped with a