

Entered September 7 1978
JLR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6306
Order No. R--5530-B

APPLICATION OF TEXACO INC. FOR
AN UNORTHODOX LOCATION, PERMISSION
TO INJECT WATER AND DIRECTIONAL
DRILLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 30, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 7th day of September, 1978, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Texaco Inc., seeks approval for the unorthodox location of its Central Vacuum Unit Well No. 139 to be vertically drilled from a surface location 85 feet from the South line and 958 feet from the East line of Section 36, Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico, to a depth of approximately 3100 feet, and then directionally drilled in such a manner as to be bottomed in the San Andres formation in a 100' square bottom hole target location with the center of the target being 60 feet from the South line and 1310 feet from the East line of said Section 36; that the applicant further seeks approval to inject water into the San Andres formation in said well.

(3) That an injection well at said unorthodox bottomhole location will better enable applicant to complete an efficient waterflood injection pattern in its Central Vacuum Unit Area.

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(4) That the directional drilling of said well to the aforesaid bottomhole location is occasioned by the location of a surface obstruction immediately over the bottomhole location, namely a gasoline plant.

(5) That no offset operator objected to the proposed unorthodox location.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(7) That the injection of water into the subject well shall be subject to all of the provisions of previous orders of the Division relating to the Central Vacuum Unit Waterflood Project, including Orders Nos. R-5530 and R-5530-A.

IT IS THEREFORE ORDERED:

(1) That an unorthodox location is hereby approved for the Texaco Inc. Central Vacuum Unit Well No. 139 to be vertically drilled from a surface location 85 feet from the South line and 958 feet from the East line of Section 36, Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico, to a depth of approximately 3100 feet, and directionally drilled to a true vertical depth of 4800 feet in the San Andres formation, bottoming it within a 100' square bottomhole target, with the center of the target being 60 feet from the South line and 1310 feet from the East line of said Section 36.

(2) That the applicant is hereby authorized to utilize said well for the injection of water into the San Andres formation, injection to be through tubing set in a packer located approximately 50 feet above the uppermost perforation.

(3) That operation of and injection into the subject well shall be subject to all of the provisions applicable to other injection wells in the Central Vacuum Unit Area Waterflood Project, as promulgated by Division Orders Nos. R-5530 and R-5530-A.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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