

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Michelle Lujan Grisham**  
Governor

**Sarah Cottrell Propst**  
Cabinet Secretary

**Todd E. Leahy, JD, PhD**  
Deputy Secretary

**Adrienne Sandoval, Director**  
Oil Conservation Division



Administrative Order PMX-295  
August 17, 2021

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION

Under the provisions of OCD Order R-6199, as amended, and PMX-219, Occidental Permian LTD (OGRID No. 157984) has made application to the OCD for permission to add gas injection to one existing injection well in its North Hobbs Grayburg-San Andres Unit Phase I Tertiary Recovery Project located within the Hobbs; Grayburg-San Andres Pool (31920) in Lea County, New Mexico. The well, the North Hobbs G/SA Unit Well No. 813, is being proposed for injection of gas within the project. The well is currently approved for injection of water and carbon dioxide (CO<sub>2</sub>).

THE DIVISION DIRECTOR FINDS THAT:

The application has been duly filed under the provisions of 19.15.26.8(B) NMAC and may be approved administratively by the Division Director without notice and hearing, per Ordering Paragraph (1) of Commission Order No. R-6199-F, dated May 22, 2014. The proposed well was eligible for conversion to injection under the terms of that rule and Ordering paragraph (1). The applicant has presented satisfactory evidence that all requirements prescribed in 19.15.26.8 NMAC have been met and the operator is in compliance with 19.15.5.9 NMAC.

This administrative application in the North Hobbs G/SA Unit may be approved administratively by the Director without notice and hearing, under the provision of Order No. R-6199-F.

The applicant has provided documentation of well type, API Number, casing program, and total depth (TD) of existing wells within the one-half mile area of review (AOR) that were drilled prior to issuing of Order No. R- 6199-F. The operator provided additional information for the AOR of each well identifying any changes to the existing wells and any new penetrating wells completed since the order was approved.

The proposed expansion of the above-referenced pressure maintenance project, will prevent waste, is in the best interests of conservation, will not impair correlative rights, and should be approved.

IT IS THEREFORE ORDERED THAT:

Occidental Permian LTD, as operator, is hereby authorized to inject water, CO<sub>2</sub>, and gas into the following well for the purpose of tertiary recovery through plastic-lined tubing set into a packer:

API	Well Name	Unit	Section	Township	Range	Footages N/S (ft)	Footages E/W (ft)	Injection Interval	Type
30-025- 34871	North Hobbs G/SA Unit #813	L	29	18S	38E	1450 FSL	469 FWL	4100- 4288 ft	Perfs

The approved injection interval for the well is into the Grayburg and San Andres formations from an approximate perforated true vertical depth of 4100 feet to a maximum perforated true vertical depth of 4288 feet. The approved maximum surface tubing injection pressure shall be 1100 pounds per square inch – gauge (psig) for water injection, 1250 psig for CO<sub>2</sub> only, and 1750 psig for gas injection, as approved in Ordering Paragraph (7) of Order No. R-6199-F dated May 22, 2014.

The operator shall set the injection packer as close as practical to the uppermost injection perforation or casing shoe (of any open hole completion), so long as the packer set point remains below the top of the Grayburg formation, as approved in Ordering Paragraph (11) of Order No. R-6199-F.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected fluid enters only the approved injection interval and is not permitted to escape to other formations or onto the surface.

After installing tubing, the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge or an approved leak detection device in order to determine leakage in the casing, tubing, or packer. The casing shall be pressure tested from the surface to the packer setting depth to assure casing integrity.

The well shall pass an initial mechanical integrity test ("MIT") prior to initially commencing injection and prior to resuming injection each time any injection packer is unseated. All MIT testing procedures and schedules shall follow the requirements in Ordering Paragraph (16) and Ordering Paragraph (17) of Order No. R-6199-F. The Division Director retains the right to require at any time wireline verification of completion and packer setting depths in this well.

Prior to placing the subject well on injection, a cement bond log or equivalent (CBL) shall be run on said well and copies supplied to the District Office, as stipulated in Ordering Paragraph (14) of Order No. R-6199-F.

The wellhead injection pressure on the well shall be limited as listed above. In addition, the injection well or header system shall be equipped with a pressure limiting device in workable condition which shall, at all times, limit surface tubing pressures to the maximum allowable pressures approved for the specific injection fluid for this well.

Subject to the limitations within the hearing order permitting this project, the Director of the OCD may authorize an increase in tubing pressure upon a proper showing by the operator that such higher pressure will not result in migration of the injected fluids from the approved injection interval. Such proper showing shall be demonstrated by sufficient evidence including but not limited to an acceptable Step-Rate Test.

The operator shall notify the supervisor of the District office of the date and time of the installation of injection equipment and of any MIT test so that the same may be inspected and witnessed. The operator shall provide written notice of the date of commencement of injection in OCD Form C-103 to the District office. The operator shall submit monthly reports of the disposal operations on OCD Form C-115, in accordance with Rules 19.15.26.13 and 19.15.7.24 NMAC.

Without limitation on the duties of the operator as provided in Rules 19.15.29 and 19.15.30 NMAC, or otherwise, the operator shall immediately notify the District office of any failure of the tubing, casing or packer in the approved injection well, or of any leakage or release of water, oil or gas from around any produced or plugged and abandoned well in the area, and shall take such measures as may be timely and necessary to correct such failure or leakage.

The injection authority granted under this order is not transferable except upon OCD approval. The OCD may require the operator to demonstrate mechanical integrity of any injection well that will be transferred prior to approving transfer of authority to inject.

Compliance with this order does not relieve the operator of the obligation to comply with other applicable federal, state or local laws or rules, or to exercise due care for the protection of fresh water, public health and safety and the environment.

PROVIDED FURTHER THAT, jurisdiction is retained by the OCD for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh or protectable waters or (2) consistent with the requirements in this order, whereupon the OCD, after notice and hearing, terminate the disposal authority granted herein. The subject well shall be governed by all provisions of Order No. R-6199, as amended, and associated administrative orders.



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Adrienne Sandoval  
OCD Division Director

cc: New Mexico Oil Conservation Division – Hobbs District Office  
Bureau Of Land Management – Carlsbad Field Office  
Well File - 30-025-34871



## C-108 APPLICATION FOR AUTHORIZATION TO INJECT ADMINISTRATIVE COMPLETENESS FORM

Well Name: \_\_\_\_\_

Applicant: \_\_\_\_\_

PO Number: \_\_\_\_\_

Admin. App. No: \_\_\_\_\_

C-108 Item	Description of Required Content	Yes	No
<b>I. PURPOSE</b>	Selection of proper application type.		
<b>II. OPERATOR</b>	Name; address; contact information.		
<b>III. WELL DATA</b>	Well name and number; STR location; footage location within section.		
	Each casing string to be used, including size, setting depth, sacks of cement, hole size, top of cement, and basis for determining top of cement.		
	Description of tubing to be used including size, lining material, and setting depth.		
	Name, model, and setting depth of packer to be used, or description of other seal system or assembly to be used.		
	Well diagram: Existing (if applicable).		
	Well diagram: Proposed (either Applicant's template or Division's Injection Well Data Sheet).		
<b>IV. EXISTING PROJECT</b>	For an expansion of existing well, Division order number authorizing existing well (if applicable).		
<b>V. LEASE AND WELL MAP</b>	AOR map identifying all wells and leases within 2 mile radius of proposed well, and depicting a 1/2 mile radius circle around any another projected injection well and a 1 mile radius circle around any other projected injection well in the Devonian formation.		
<b>VI. AOR WELLS</b>	Tabulation of data for all wells of public record within AOR which penetrate the proposed injection zone, including well type, construction, date drilled, location, depth, and record of completion.		
	Schematic of each plugged well within AOR showing all plugging detail.		
<b>VII. PROPOSED OPERATION</b>	Proposed average and maximum daily rate and volume of fluids to be injected.		
	Statement that the system is open or closed.		
	Proposed average and maximum injection pressure.		
	Sources and analysis of injection fluid, and compatibility with receiving formation if injection fluid is not produced water.		
	A chemical analysis of the disposal zone formation water if the injection is for disposal and oil or gas is not produced or cannot be produced from the formation within 1 mile of proposed well. Chemical analysis may be based on sample, existing literature, studies, or nearby well.		
<b>VIII. GEOLOGIC DATA</b>	Proposed injection interval, including appropriate lithologic detail, geologic name, thickness, and depth.		
	USDW of all aquifers overlying the proposed injection interval, including geologic name and depth to bottom.		
	USDW of all aquifers underlying the proposed injection interval, including including the geologic name and depth to bottom.		



## C-108 (SWD) APPLICATION FOR AUTHORIZATION TO INJECT ADMINISTRATIVE COMPLETENESS FORM

Well Name: \_\_\_\_\_

Applicant: \_\_\_\_\_

PO Number: \_\_\_\_\_

Admin. App. No: \_\_\_\_\_

C-108 Item	Description of Required Content	Yes	No
<b>IX. PROPOSED STIMULATION</b>	Description of stimulation process or statement that none will be conducted.		
<b>X. LOGS/WELL TESTS</b>	Appropriate logging and test data on the proposed well or identification of well logs already filed with OCD.		
<b>XI. FRESH WATER</b>	Chemical analysis of fresh water from two or more fresh water wells (if available and producing) within 1 mile of the proposed well, including location and sampling date(s).		
<b>XII. AFFIRMATION STATEMENT</b>	Statement of qualified person endorsing the application, including name, title, and qualifications.		
<b>XIII. PROOF OF NOTICE</b>	Identify of all " <i>affected persons</i> " identified on AOR map in Section V, including all affected persons within 1/2 mile radius circle around any another projected injection well and a 1 mile radius circle around any other projected injection well in the Devonian formation.		
	Identification and notification of all surface owners.		
	BLM and/or NMSLO notified per 19.15.2.7(A)(8)(d) NMAC.		
	Notice of publication in local newspaper in county where proposed well is located with the following specific content:		
	<ul style="list-style-type: none"> <li>• Name, address, phone number, and contact party for Applicant;</li> </ul>		
	<ul style="list-style-type: none"> <li>• Intended purpose of proposed injection well, including exact location of a single well, or the section, township, and range location of multiple wells;</li> </ul>		
	<ul style="list-style-type: none"> <li>• Formation name and depth, and expected maximum injection rates and pressures; and</li> </ul>		
	<ul style="list-style-type: none"> <li>• Notation that interested parties shall file objections or requests for hearing with OCD no later than 15 days after the admin completeness determination.</li> </ul>		
<b>XIV. CERTIFICATION</b>	Signature by operator or designated agent, including date and contact information.		

Review Date\*:

Reviewer:

- Administratively COMPLETE  
 Administratively INCOMPLETE

NOTES:

\* The Review Date is the date of administrative completeness determination that commences the 15 day protest period in 19.15.26.8 (C)(2) NMAC.



# FORM C-108 Technical Review Summary [Prepared by reviewer and included with application; V17]

DATE RECORD: First Rec: \_\_\_\_\_ Admin Complete: \_\_\_\_\_ or Suspended: \_\_\_\_\_ Add. Request/Reply: \_\_\_\_\_

ORDER TYPE: \_\_\_\_\_ Number: \_\_\_\_\_ Order Date: \_\_\_\_\_ Legacy Permits/Orders: \_\_\_\_\_

Well No. \_\_\_\_\_ Well Name(s): \_\_\_\_\_

API : 30-0 \_\_\_\_\_ Spud Date: \_\_\_\_\_ New or Old (EPA): \_\_\_\_\_ (UIC Class II Primacy 03/07/1982)

Footages \_\_\_\_\_ Lot \_\_\_\_\_ or Unit \_\_\_\_\_ Sec \_\_\_\_\_ Tsp \_\_\_\_\_ Rge \_\_\_\_\_ County \_\_\_\_\_

Latitude: \_\_\_\_\_ Longitude \_\_\_\_\_ Pool: \_\_\_\_\_ Pool No.: \_\_\_\_\_

Operator: \_\_\_\_\_ OGRID: \_\_\_\_\_ Contact: \_\_\_\_\_ Email: \_\_\_\_\_

COMPLIANCE RULE 5.9: Total Wells: \_\_\_\_\_ Inactive: \_\_\_\_\_ Fincl Assur: \_\_\_\_\_ Compl. Order? \_\_\_\_\_ IS 5.9 OK? \_\_\_\_\_ Date: \_\_\_\_\_

WELL FILE REVIEWED Current Status: \_\_\_\_\_

WELL DIAGRAMS: NEW: Proposed  or RE-ENTER: Before Conv.  After Conv.  Logs in Imaging: \_\_\_\_\_

Planned Rehab Work to Well: \_\_\_\_\_

Well Construction Details	Sizes (in) Borehole / Pipe	Setting Depths (ft)	Cement Sx or Cf	Cement Top and Determination Method
Planned _____ or Existing _____ Surface			Stage Tool	
Planned _____ or Existing _____ Interm/Prod				
Planned _____ or Existing _____ Interm/Prod				
Planned _____ or Existing _____ Prod/Liner				
Planned _____ or Existing _____ Liner				
Planned _____ or Existing _____ OH / PERF			Inj Length	
<b>Injection Lithostratigraphic Units:</b>			<b>Completion/Operation Details:</b>	
<b>Depths (ft)</b>	<b>Injection or Confining Units</b>	<b>Tops</b>	Drilled TD _____ PBSD _____	
Adjacent Unit: Litho. Struc. Por.			NEW TD _____ NEW PBSD _____	
Confining Unit: Litho. Struc. Por.			NEW Open Hole _____ NEW Perfs _____	
Proposed Inj Interval TOP:			Tubing Size _____ in. Inter Coated? _____	
Proposed Inj Interval BOTTOM:			Proposed Packer Depth _____ ft	
Confining Unit: Litho. Struc. Por.			Min. Packer Depth _____ (100-ft limit)	
Adjacent Unit: Litho. Struc. Por.			Proposed Max. Surface Press. _____ psi	
			Admin. Inj. Press. _____ (0.2 psi per ft)	
<b>AOR: Hydrologic and Geologic Information</b>				
POTASH: R-111-P _____ Noticed? _____ BLM Sec Ord WIPP Noticed? _____ Salt/Salado T: _____ B: _____ NW: Cliff House fm _____				
USDW: Aquifer(s) _____ Max Depth _____ HYDRO AFFIRM STATEMENT By Qualified Person _____				
NMOSE Basin: _____ CAPITAN REEF: thru _____ adj _____ NA _____ No. GW Wells in 1-Mile Radius? _____ FW Analysis? _____				
Disposal Fluid: Formation Source(s) _____ Analysis? _____ On Lease <input type="radio"/> Operator Only <input type="radio"/> Commercial <input type="radio"/>				
Disposal Interval: Inject Rate (Avg/Max BWPD): _____ Protectable Waters? _____ Source: _____ System: Closed or Open				
HC Potential: Producing Interval? _____ Formerly Producing? _____ Method: Logs /DST /P&A /Other _____ 2-Mi Radius Pool Map _____				
AOR Wells: 1/2-M _____ or ONE-M _____ RADIUS MAP/WELL LIST: Total Penetrating Wells: _____ [AOR Hor: _____ AOR SWDs: _____]				
Penetrating Wells: No. Active Wells _____ No. Corrective? _____ on which well(s)? _____ Diagrams? _____				
Penetrating Wells: No. P&A Wells _____ No. Corrective? _____ on which well(s)? _____ Diagrams? _____				
Induced-Seismicity Risk Assess: analysis submitted _____ historical/catalog review _____ fault-slip model _____ probability _____				
NOTICE: 1/2-M _____ or ONE-M _____ : Newspaper Date _____ Mineral Owner* _____ Surface Owner _____ N. Date _____				
RULE 26.7(A): Identified Tracts? _____ Affected Persons*: _____ N. Date _____				

\* new definition as of 12/28/2018 [any the mineral estate of United States or state of New Mexico; SWD operators within the notice radius]

Order Conditions: Issues: \_\_\_\_\_

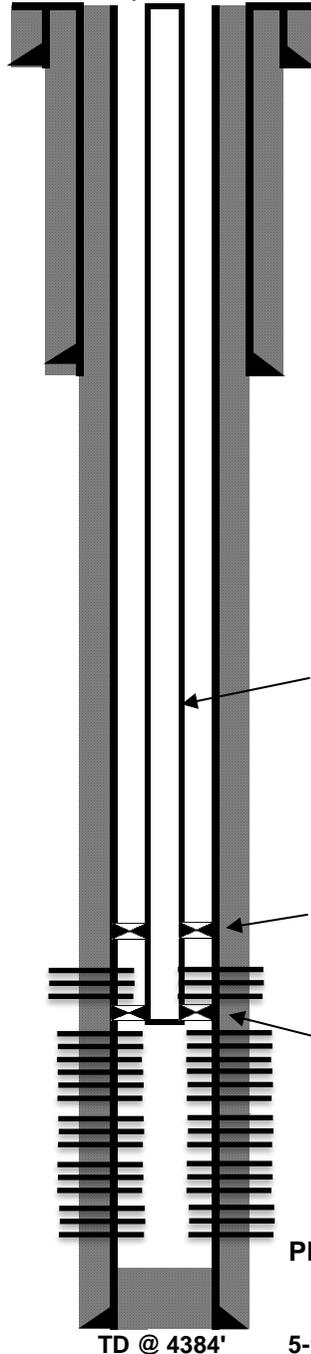
Additional COAs: \_\_\_\_\_

# NHU 29-813

API# 30-025-34871

TWN 18-S; RNG 38-E

Inj - Active



**Conductor**  
18" @ 26'  
cmt'd w/50 sxs  
TOC @ Surface (Circ.)

8-5/8" 24# @ 1512'  
cmt'd w/700 sxs  
TOC @ Surface (Circ.)

Injection Tubing  
J-55 2.875 OD/ 6.50# T&C External Upset  
2.441 ID 2.347 Drift - Duoline 20

Top Packer Set @ 3898'  
5.500"-5 1/2" X 2 3/8" X 14-20# ARROWSET "1-X"  
DOUBLE GRIP PKR

Bottom Packer Set @ 4134'  
5.500"-5 1/2" X 2 3/8" X 13.20# "KTC"  
HYDRAULIC TANDEM PKR

PBTD @ 4280'

TD @ 4384'

5-1/2" # @ 4384'  
cmt'd w/900 sxs  
TOC @ Surface (Circ.)

**Close / Isolated Perfs**

4100-4104, 4110-4114, 4128-4132

**Open Perfs**

4141-4144, 4148-4152, 4164-4167, 4172-4177  
4189-4198, 4197-4200, 4205-4210, 4216-4220  
4228-4232, 4240-4248, 4255-4288