

APPLICATION OF McCLELLAN OIL CORP.
TO EXPAND ITS WATERFLOOD PROJECT IN
THE SULIMAR QUEEN POOL IN CHAVES COUNTY,
NEW MEXICO.

ORDER WFX NO. 477

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-4290, McClellan Oil Corporation has made application to the Division on October 8, 1979, for permission to expand its Sulimar Queen Unit Waterflood Project in the Sulimar Queen Pool in Chaves County, New Mexico.

NOW, on this 5th day of November, 1979, the Division Director finds:

1. That application has been filed in due form.
2. That satisfactory information has been provided that there are no other offset operators.
3. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-4290.
4. That the proposed expansion of the above referenced waterflood project will not cause waste nor impair correlative rights.
5. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, McClellan Oil Corporation, be and the same is hereby authorized to inject water into the Queen formation through plastic-lined tubing set in a packer at approximately 1950 feet in the following described wells for purposes of secondary recovery, to wit:

Sulimar Queen Unit Tract I Well No. 3 located in
Unit C and Sulimar Queen Unit Tract III Well No. 1
located in Unit A, both in 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.

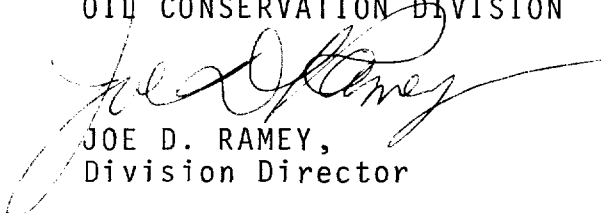
That the casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

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

That the operator shall immediately notify the Supervisor of the Division's Artesia 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.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY,
Division Director

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