



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

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SANTA FE, NEW MEXICO 87501
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January 22, 1982

Southland Royalty Company
1100 Wall Towers West
Midland, Texas 79701

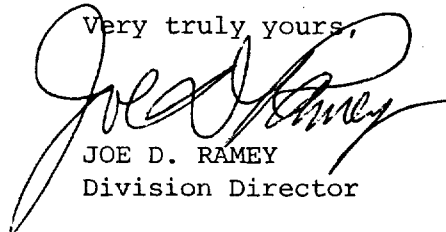
Re: Administrative Order No. WFX-495

Gentlemen:

Enclosed herewith please find Administrative Order No.
MC-495 for the following described well:

Malmar Unit, Tract No. 3 Well No. 15
Unit N, Section 12, Township 17 South,
Range 32 East, NMPM, Lea County,
New Mexico.

Very truly yours,



JOE D. RAMEY
Division Director

JLR/OS/og

cc: Oil Conservation Division
Box 1980
Hobbs, New Mexico

APPLICATION OF SOUTHLAND ROYALTY COMPANY
TO EXPAND ITS WATERFLOOD PROJECT IN THE
MALJAMAR GRAYBURG-SAN ANDRES POOL IN
LEA COUNTY, NEW MEXICO.

ORDER No. WFX-495

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-2155, Southland Royalty Company, has made application to the Division on January 22, 1982, for permission to expand its Malmar Unit Waterflood Project in the Grayburg-San Andres Pool in Lea County, New Mexico.

NOW, on this 22nd day of January, 1982, the Division Director finds:

1. That application has been filed in due form.
2. That satisfactory information has been provided that all offset operators have been duly notified of the application.
3. That no objection has been received within the waiting period as prescribed by Order No. R-2155.
4. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-2155.
5. That the proposed expansion of the above referenced waterflood project will not cause waste nor impair correlative rights.
6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Southland Royalty Company, be and the same is hereby authorized to inject water into the Grayburg-San Andres formations through plastic-lined tubing set in a packer located within 100 feet above the uppermost perforations in the following described well for purposes of secondary recovery to wit:

Malmar Unit, Tract No. 3 Well No. 15, Unit N, Section 12, Township 17 South, Range 32 East, NMPM, Lea 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 (in each well) 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 pressure limiting device which will limit the wellhead pressure to a maximum of 840 pounds per square inch; provided however that the Division Director may administratively authorize a pressure limitation in excess of the above upon the operator's establishing that such higher pressure will not result in fracturing of the confining strata.

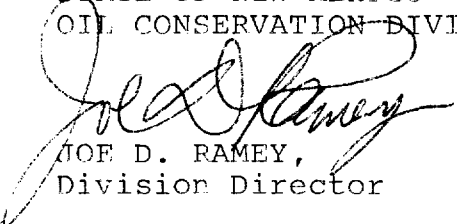
That the operator shall notify the supervisor of the Division's Hobbs District Office before injection is commenced through said well.

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

That the subject well shall be governed by all provisions of Division Order No. P-2155 not inconsistent herewith.

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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