

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA

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APPLICATION OF AMOCO PRODUCTION COMPANY TO EXPAND ITS WATERFLOOD PROJECT IN THE INDIAN DRAW DELAWARE POOL IN EDDY COUNTY, NEW MEXICO.

ORDER No. WFX-520

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-6352, Amoco Production Company has made application to the Division on October 3, 1983, for permission to expand its Old Indian Draw Waterflood Project in the Indian Draw Delaware Pool in Eddy County, New Mexico.

NOW, on this 29th day of November, 1983, 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 Rule 701B.
- 4. That the proposed injection well is eligible for conversion to water injection under the terms of Rule 701.
- 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, Amoco Production Company, be and the same is hereby authorized to inject water into the Delaware formation through plastic-lined tubing set in a packer at the following approximate depths in the following described wells for purposes of secondary recovery to wit:

AMOCO PRODUCTION COMPANY OLD INDIAN DRAW UNIT

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Well No. 2, 660' FSL and 1980' FEL of Sec. 18; Well No. 4, 1980' FSL and 660' FEL of Sec. 18; Well No. 5, 1980' FNL and 1980' FEL of Sec. 18; Well No. 6, 2002' FSL and 1721' FWL of Sec. 18; Well No. 10, 997' FNL and 1785' FWL of Sec. 18; Well No. 12, 1658' FNL and 794' FWL of Sec. 18; Well No. 16, 330' FSL and 794' FWL of Sec. 7; Well No. 19, 1750' FWL and 1657' FSL of Sec. 7; Well No. 21, 330' FSL and 2283' FEL of Sec. 7; Well No. 35, 1663' FSL and 963' FEL of Sec. 7;
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all of these wells are in Township 22 South, Range 28 East, NMPM, Eddy 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 on the injection well to no more than 642 psi.

That the Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the Delaware formation. That such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

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

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 wells or the leakage of water from or around said wells and shall take such steps as may be timely or necessary to correct such failure or leakage.

That the subject wells shall be governed by all provisions of Division Order No. R-6352 and $Rules\ 702$, 703, 704, 705, and 706 not inconsistent herewith.

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

STATE OF NEW MEXICO

OHL CONSERVATION DIVISION

JOE D. RAMEY,

Division Director

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