



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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ORDER NO. WEX-577

APPLICATION OF MURPHY OPERATING CORPORATION TO EXPAND ITS WATERFLOOD PROJECT IN THE BLUITT SAN ANDRES POOL IN ROOSEVELT COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-8118, Murphy Operating Corporation has made application to the Division on October 24, 1988 for permission to expand its Bluitt-San Andres Waterflood Project in the Bluitt-San Andres Pool in Roosevelt County, New Mexico.

NOW, on this 22nd day of November, 1988, the Division Director finds that:

- (1) The application has been filed in due form.
- (2) Satisfactory information has been provided that all offset operators have been duly notified of the application.
- (3) No objection has been received within the waiting period as prescribed by Rule 701(B).
- (4) The proposed injection wells are eligible for conversion to water injection under the terms of Rule 701.
- (5) The proposed expansion of the above-referenced waterflood project will not cause waste nor impair correlative rights.
- (6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, Murphy Operation Corporation, be and the same is hereby authorized to inject water into the San Andres formation at approximately 4688 feet to approximately 4712 feet through 2 3/3-inch epoxy lined tubing set in a packer located approximately within 100 feet of the uppermost injection perforation in the following described wells for purposes of secondary recovery to wit:

<u>WELL NAME AND LOCATION</u>	<u>MAXIMUM SURFACE INJECTION PRESSURE</u>
Bluitt San Andres Unit Well No. 18-5 2086 FNL & 554 FWL (Unit E) Section 18, T-8 South, R-38 East, NMPM, Roosevelt County, New Mexico;	938 PSIG
Bluitt San Andres Unit Well No. 18-13 660 FSL & 660 FWL (Unit M) Section 18, T-8 South, R-38 East, NMPM, Roosevelt County, New Mexico.	938 PSIG

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.

Prior to commencing injection operations into the wells, the casing in each well shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

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.

The injection wells or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection wells to no more than 938 psi.

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

The operator shall notify the supervisor of the Hobbs district office of the Division of the date and time of the installation of disposal equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Hobbs district office of the Division of the failure of the tubing, casing or packer in said wells and shall take such steps as may be timely and necessary to correct such failure or leakage.

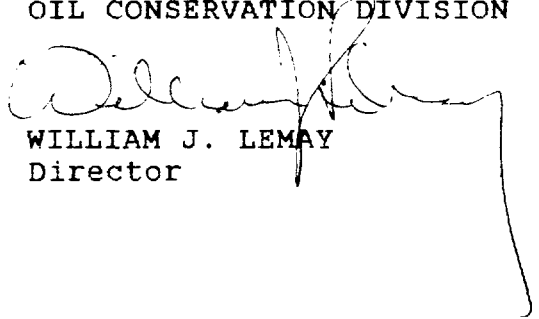
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PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for such further order or orders as any seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations in accordance with Rule 706 and 1120 of the Division Rules and Regulations.

Approved at Santa Fe, New Mexico, on this 22nd day of November, 1988.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

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