



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OFFICE OF THE SECRETARY

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GOVERNOR

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April 21, 1981

Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762

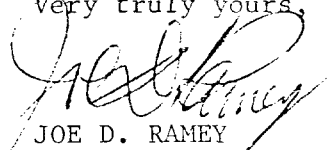
Re: Administrative Order No. PMX-104

Gentlemen:

Enclosed herewith please find Administrative Order No. PMX-104 for the following:

East Vacuum Grayburg San Andres Unit Tract
2923 Well No. 003 - Unit D, Section 29,
Township 17 South, Range 35 East, Lea County,
New Mexico.

Very truly yours,


JOE D. RAMEY
Division Director

JDR/OS/og

cc: Oil Conservation Division
Box 1980
Hobbs, New Mexico

APPLICATION OF PHILLIPS PETROLEUM
COMPANY TO EXPAND ITS PRESSURE
MAINTENANCE PROJECT IN THE VACUUM
GRAYBURG - SAN ANDRES POOL, LEA
NEW MEXICO.

ORDER PMX-104

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-5897, Phillips Petroleum Company has made application to the Division on April 6, 1981, for permission to expand its East Vacuum Grayburg-San Andres Unit Pressure Maintenance Project in the Vacuum Grayburg-San Andres Pool in Lea County, New Mexico.

NOW, on this 21st day of April, 1981, 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-5897.
4. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-5897.
5. That the proposed expansion of the above referenced pressure maintenance project will not cause waste nor impair correlative rights.
6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Phillips Petroleum Company, be and the same is hereby authorized to inject water into San Andres formation through plastic-lined tubing set in a packer at approximately 4509 feet in the following described well for purposes of pressure maintenance to wit:

East Vacuum Grayburg San Andres Unit Tract 2923 Well No. 003
Unit D, Section 29, Township 17 South, Range 35 East.

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 the 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 920 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 said well shall not be placed on injection at greater than hydrostatic pressure if such well is located within one-half mile of any well listed on Exhibit "C" to Order R-5897 unless remedial action has been taken on such well to ensure that it will not serve as an avenue of escape for injected waters, or tests have been conducted on such well or evidence concerning such well has been presented establishing to the satisfaction

of the Supervisor of the Hobbs District Office of the Division that remedial work on such well in unnecessary.


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. R-5897 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

SEAL