



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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GOVERNOR

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APPLICATION OF AMOCO PRODUCTION COMPANY
TO EXPAND ITS PRESSURE MAINTENANCE PROJECT
IN THE HOBBS (GRAYBURG/SAN ANDRES) POOL IN
LEA COUNTY, NEW MEXICO.

ORDER No. PMX-132

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-4934, Amoco Production Company has made application to the Division on August 29, 1984 for permission to expand its South Hobbs (Graburg/San Andres) Unit Pressure Maintenance Project in the Hobbs (Grayburg/San Andres) Pool in Lea County, New Mexico.

NOW, on this 31st day of October, 1984, 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 wells is eligible for conversion to water injection under the terms of Rule 701.
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, Amoco Production 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 at a maximum of 100 feet above the injection interval in the following described wells for purposes of pressure maintenance to wit:

<u>WELL NAME AND LOCATION</u>	<u>MAXIMUM SURFACE INJECTION PRESSURE</u>
SHU Well No. 26 Unit H, Sec. 6, T-19S, R-38E, Lea County, NM	827 psig
SHU Well No. 29 Unit G, Sec. 5, T-19S, R-38E, Lea County, NM	821 psig
SHU Well No. 30 Unit H, Sec. 5, T-19S, R-38E, Lea County, NM	809 psig
SHU Well No. 39 Unit L, Sec. 5, T-19S, R-38E, Lea County, NM	837 psig
SHU Well No. 40 Unit K, Sec. 5, T-19S, R-38E, Lea County, NM	825 psig
SHU Well No. 41 Unit I, Sec. 5, T-19S, R-38E, Lea County NM	818 psig
SHU Well No. 61 Unit A, Sec. 8, T-19S, R-38E, Lea County, NM	825 psig
SHU Well No. 182 (Formerly Mckinley No. 20) Unit F, Sec. 5, T-19S, R-38E, Lea County, NM	816 psig
SHU Well No. 193 Unit P, Sec. 5, T-19S, R-38E, Lea County, NM	825 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.

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 wells or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on each injection well to no more than 0.20 psi per foot of depth to the uppermost injection interval on each well. (Note the list of wells for specific pressures)

That 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 Grayburg/San Andres formations. 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 Hobbs District Office before injection is commenced through said wells.

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 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-4934 and Rules 702, 703, 704, 705, and 706 inconsistent herewith.

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

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A handwritten signature in black ink, appearing to read "R. L. Stamets", is written over the printed name. The signature is fluid and cursive, with a large initial "R" and a long, sweeping underline.

R. L. STAMETS
Acting Director