



TONY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

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

ORDER No. PMX-137

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 September 24, 1985, for permission to expand its South Hobbs (Gb/SA) Unit Pressure Maintenance Project in the Hobbs (Gb/SA) Pool in Lea County, New Mexico.

NOW, on this 29th day of October, 1985, 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 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 formation through plastic-lined tubing set in a packer at approximately 3800 and 4100 feet, respectively, in the wells

described on Exhibit "A" attached, for purposes of Pressure Maintenance.

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 0.20 psi per foot of depth to the uppermost injection interval on each well. Note the list of wells for specific pressure.

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 Grayburg-San Andres formation. That such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

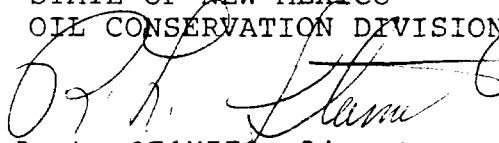
That the operator shall notify the supervisor of the Division's Hobbs District Office before injection is commenced through said wells.

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 not inconsistent herewith.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


R. L. STAMETS, Director

S E A L

WELL NAME AND LOCATION

MAXIMUM SURFACE
INJECTION PRESSURE

SHU Well No. 48
Unit J, Section 3, T-19-S,
R-38-E, Lea County, N.M.

836 Psig.

SHU Well No. 68
Unit B, Section 10, T-19-S,
R-38-E, Lea County, N.M.

839 Psig.

EXHIBIT "A"
PMX-137



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

September 30, 1985

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 86240
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC	_____
DHC	_____
NSL	_____
NSP	_____
SWD	_____
WFX	_____
PMX	_____X_____

Gentlemen:

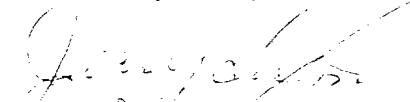
I have examined the application for the:

Amoco Production Co.	South Hobbs (GSA) Unit #68	10-19-38 & #48	3-19-38
Operator	Lease & Well No.	Unit	S-T-R

and my recommendations are as follows:

O.K.----J.S.

Yours very truly,


Jerry Sexton
Supervisor, District 1

/mc