

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Sunday, February 03, 2013 2:00 PM
To: 'Adam Rankin'
Cc: Ezeanyim, Richard, EMNRD; Brooks, David K., EMNRD
Subject: ConocoPhillips Company's proposed Vacuum Glorieta East Unit Enhanced Recovery Project

Case # 14964

Hello Adam,

I looked over this C-108 very briefly.

Wow – lots of information and lots of work that Susan and others did to prepare this.

Thanks in advance to her and her cohorts!

Let me ramble a bit and please forgive me if these questions are already answered in the proposed presentation.

- a. What exact entity name will be the operator of this project and is it in compliance with Rule 5.9?
- b. Does Conoco intend only water injection? No CO2 at this time? Plans for CO2?
- c. As far as calling this a Waterflood or a Pressure Maintenance Project: If it is depleted of pressure and Conoco intends to ramp up the pressure with water injection, then calling it a Waterflood is probably the way to go. If the reservoir pressure is currently adequate, but they plan to implement water injection or future CO2 injection to maintain this pressure and sweep some oil, then Pressure Maintenance is logical. As you know the OCD rules are a bit different for these....and the proposed Acid Gas rule participant attorneys have decided that CO2 projects should be an offshoot of Pressure Maintenance projects. If Conoco intends to someday implement CO2 operations and reservoir pressure is adequate, then Pressure Maintenance is the way to go... but you could always reclassify it later. I believe the rules state that PM projects still are subject to depth bracket allowables and Waterfloods are not. But that is probably not an issue.
- d. Do you want to qualify for the EOR tax credit? If so, you could add this evidence and we could add those ordering paragraphs.
- e. The beginning writeup in front of this C-108 could include the name/number of the 1993 hearing order that Unitized this project.
- f. Also the beginning of this big C-108 could state exactly the top and bottom of the Unitized interval and also which formation name or names are in the Unit. That would make looking at the succeeding data pages easier – we must make sure all proposed perfs are contained in the Unitized interval. Is the Paddock formation the only target formation for EOR operations?
- g. Within the proposed 11 injection wells, does Conoco intend to ask for injection authority from the top of the unitized interval to the bottom OR restricted to a subset of vertical intervals?
- h. How many injection wells are deviated – I saw at least one...?
- i. In its research, did Conoco identify any problem Cemented wells in the AORs?
- j. Did Conoco do a comprehensive AOR cement investigation of the entire Unit or did Susan only look in the AOR circles? In other words, after this is processed and Conoco sends in administrative applications to add injection wells – will we need to carefully look the new AOR's over or was it done already?
- k. Also for the Notice's: Did Conoco notice everyone within ½ mile of the boundary of this Unit or only those parties within the ½ mile AOR circles?
- l. Are there any Leaseline injection wells being proposed here that would require a leaseline agreement?
- m. Does Conoco want a consistent Wellhead Injection Pressure Limit for all injection wells? Will Conoco propose a higher than 0.2 pressure limit and if so, back it up with Step Rate Tests?
- n. To help us draft the Order, would Conoco please supply an Excel file with the 11 proposed injection wells containing Well Name/number, API, Location, Top and Bottom of interval to be permitted.

That's all
Will Jones 2/3/13