Santa Fe, New Mexico 87505

(505) 827-7131

MAY - 1 1397

ADMINISTRATIVE ORDER NO. WFX-710

APPLICATION OF DEVON ENERGY CORPORATION TO EXPAND ITS WATERFLOOD PROJECT IN THE GRAYBURG-JACKSON POOL IN EDDY COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-3265 as amended, Devon Energy Corporation has made application to the Division on January 6, 1997 for permission to expand its Hudson Waterflood Project in the Grayburg-Jackson Pool in Eddy County, New Mexico.

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 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, Devon Energy Corporation, be and the same is hereby authorized to inject water into the Grayburg and San Andres formations at approximately 2700 feet to approximately 3510 feet through 2 3/8-inch plastic lined tubing set in a packer located within 100 feet of the uppermost injection perforations in the following described wells, for purposes of secondary recovery to wit:

Hudson Federal Well No.3 1650' FNL & 330' FWL UL 'E', Section 17, Township 17 South, Range 31 East, Injection Interval Approximately: 2700 feet to 3497 feet

Maximum Injection Pressure: 1350 psig

Hudson Federal Well No.4 990' FNL & 330' FWL UL 'D', Section 17, Township 17 South, Range 31 East, Injection Interval Approximately: 2700 feet to 3500 feet

Maximum Injection Pressure: 1350 psig

Hudson Federal Well No.5
1980' FNL & 860' FWL
Section 17, Township 17 South, Range 31 East,
Injection Interval Approximately: 2750 feet to 3510 feet
Maximum Injection Pressure: 1375 psig

All wells NMPM, Eddy County, New Mexico.

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 well, the casing 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 well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection wells to no greater than .5 psi per foot of depth to the uppermost injection perforations.

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 or San Andres formations. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

Administrative Order WFX-710 Devon Energy Corporation April 16, 1997 Page 3

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

The operator shall immediately notify the supervisor of the Artesia 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.

The subject wells shall be governed by all provisions of Division Order No. R-3265 as amended and Rules 702-706 of the Division Rules and Regulations not inconsistent herewith.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed 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 injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject wells, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

DONE at Santa Fe, New Mexico, on this 16th day of April, 1997.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM/J. LEMAY

Director

SEAL

WJL/BES

cc: Oil Conservation Division - Artesia Case File No.3599

APPLICATION OF THE WISER OIL COMPANY TO EXPAND ITS WATERFLOOD PROJECT IN THE GRAYBURG-JACKSON POOL IN EDDY COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-3952 as amended, The Wiser Oil Company has made application to the Division on August 18, 1997 for permission to expand its Lea 'D' Unit Waterflood Project in the Grayburg-Jackson Pool in Eddy County, New Mexico.

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 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, The Wiser Oil Company, be and the same is hereby authorized to inject water into the Grayburg and San Andres formations at approximately 3350 feet to approximately 3850 feet through 2 3/8-inch plastic lined tubing set in a packer located within 100 feet of the uppermost injection perforations in the wells described on Exhibit "A" attached hereto, for purposes of secondary recovery.

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 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 well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection wells to no more than .2 psi per foot of depth to the uppermost injection perforation.

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 or San Andres formations. 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 Artesia district office of the Division of the date and time of the installation of injection equipment and of the mechanical integrity tests so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia 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.

The subject wells shall be governed by all provisions of Division Order Nos. R-3952 as amended, and Rules 702-706 of the Division Rules and Regulations not inconsistent herewith.

<u>PROVIDED FURTHER THAT</u>, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed 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 injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject wells, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

DONE at Santa Fe, New Mexico, on this 30th day of October, 1997.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Director

SEAL

cc:

Oil Conservation Division - Artesia

Ms. Bonnie Jones, J.O, Easley, Inc.

Files: Case No.4338

EXHIBIT "A"

DIVISION ORDER NO. WFX-723 LEA 'D' WATERFLOOD PROJECT APPROVED INJECTION WELLS

2 3/8" .2 psi/ft	TBD* 2	To Be Determined	26-T17S-R31E	Ħ	1980' FNL & 660' FWL	8	Lea 'D' Unit	
2 3/8"	TBD* 2	To Be Determined	26-T17S-R31E	ъ	1980' FNL & 1980' FWL	7	Lea 'D' Unit	
2 3/8"	3384' 2	3472'- 3813'	26-T17S-R31E	J	1980' FSL & 1980' FEL	6	Lea 'D' Unit	Ī
2 3/8"	TBD* 2	To Be Determined	26-T17S-R31E	I	1980' FSL & 660' FEL	5	Lea 'D' Unit	
2 3/8"	TBD* 2	To Be Determined	26-T17S-R31E	G	1880' FNL & 1980' FEL	4	Lea 'D' Unit	
2 3/8"	3692' 2	3744' - 3810'	26-T17S-R31E	Н	1980' FNL & 660' FEL	3	Lea 'D' Unit	
2 3/8"	TBD* 2	To Be Determined	26-T17S-R31E	Α	710' FNL & 660' FEL	2	Lea 'D' Unit	
2 3/8"	3217' 2	3366' - 3782'	26-T17S-R31E	В	660' FNL & 1980' FEL	1	Lea 'D' Unit	T
Tubing Pressure		Injection Perforations Pucker Depth	を表現でいる。					

All wells located in Eddy County, New Mexico

^{*} TBD – Located within 100 feet of the uppermost injection perforations or open-hole interval.

APPLICATION OF DEVON ENERGY CORPORATION TO EXPAND ITS WATERFLOOD PROJECT IN THE GRAYBURG-JACKSON POOL IN EDDY COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-3265 as amended, Devon Energy Corporation has made application to the Division on September 26, 1997 for permission to expand its Hudson Waterflood Project in the Grayburg-Jackson Pool in Eddy County, New Mexico.

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 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, Devon Energy Corporation, be and the same is hereby authorized to inject water into the Grayburg and San Andres formations at approximately 2806 feet to approximately 3717 feet through 2 3/8-inch plastic lined tubing set in a packer located within 100 feet of the uppermost injection perforations in the following described well, for purposes of secondary recovery to wit:

Hudson Federal Well No.9 API No.30-015-28790 2310' FNL & 110' FEL

UL 'F', Section 18, Township 17 South, Range 31 East, Injection Interval Approximately: 2806 feet to 3717 feet Maximum Injection Pressure: 1403 psig

Located in Eddy County, New Mexico.

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 well, the casing 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 well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection wells to no greater than .5 psi per foot of depth to the uppermost injection perforations.

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 or San Andres formations. 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 Artesia district office of the Division of the date and time of the installation of injection equipment and of the mechanical integrity tests so that the same may be inspected and witnessed.

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

The subject well shall be governed by all provisions of Division Order No. R-3265 as amended and Rules 702-706 of the Division Rules and Regulations not inconsistent herewith.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed 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 injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject wells, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

DONE at Santa Fe, New Mexico, on this 30th day of October, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION

WILLIAM J. ZEMAY

Director

SEAL

WJL/BES

cc: Oil Conservation Division - Artesia

Case File No.3599 /

APPLICATION OF DEVON ENERGY CORPORATION TO EXPAND ITS WATERFLOOD PROJECT IN THE RED LAKE QUEEN-GRAYBURG-SAN ANDRES POOL IN EDDY COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-3469 as amended, Devon Energy Corporation has made application to the Division on September 22, 1997 for permission to expand its West Red Lake Waterflood Project in the Red Lake Queen-Grayburg-San Andres Pool in Eddy County, New Mexico.

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 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, Devon Energy Corporation, be and the same is hereby authorized to inject water into the San Andres formation at approximately 1247 feet to approximately 2025 feet through 2 3/8-inch plastic lined tubing set in a packer located within 100 feet of the uppermost injection perforations in the wells described on Exhibit "A" attached hereto, for purposes of secondary recovery.

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 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 well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection wells to range from .6 to .9 psi per foot of depth to the uppermost injection perforations of each well as indicated on Exhibit 'A'.

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 Artesia district office of the Division of the date and time of the installation of injection equipment and of the mechanical integrity tests so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia 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.

The subject wells shall be governed by all provisions of Division Order No. R-3469, as amended and Rules 702-706 of the Division Rules and Regulations not inconsistent herewith.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed 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 injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject wells, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

DONE at Santa Fe, New Mexico, on this 17th day of November, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J/LEMAY

Director

SEAL

WJL/BES/kv

cc:

Oil Conservation Division - Artesia

Case File No.3824

EXHIBIT "A"

DIVISION ORDER NO. WFX-726 WEST RED LAKE UNIT WATERFLOOD PROJECT APPROVED INJECTION WELLS

1122 PSIG	.90 psi/ft	2 3/8"	1175'	1247'-1991'	5-18S-27E	z	50' FSL & 1980' FWL	60	West Red Lake Unit
1300 PSIG	.85 psi/ft	2 3/8"	1475'	1529'-1962'	6-18S-27E	P	280' FSL & 850' FEL	57	West Red Lake Unit
959 PSIG	.60 psi/ft	2 3/8"	1550'	1599'-2025'	5-18S-27E	K	840' FSL & 1750' FWL	44	West Red Lake Unit
1050 PSIG	.65 psi/ft	2 3/8"	1564'	1615'-1746'	8-18S-27E	ГT	1980' FNL & 660' FWL	19	West Red Lake Unit
1221 PSIG	.75 psi/ft	2 3/8"	1575'	1628'-1720'	7-18S-27E	H	2310' FNL & 990' FEL	15	West Red Lake Unit
1028 PSIG	.60 psi/ft	2 3/8"	1665'	1714'-1684'	7-18S-27E	В	990' FNL & 1980' FWL	7	West Red Lake Unit
Injection Pressure	Pressure Gradient	Tubing Size	Packer Depth	Injection Interval	S-T-R	Unit	Location	Well No.	Well Name

All wells in Eddy County, New Mexico

APPLICATION OF PENNZOIL EXPLORATION AND PRODUCTION COMPANY TO EXPAND ITS WATERFLOOD PROJECT IN THE ATOKA-SAN ANDRES POOL IN EDDY COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-3476, Pennzoil Exploration and Production Company has made application to the Division on September 26, 1997 for permission to expand its Atoka San Andres Waterflood Project in the Atoka-San Andres Pool in Eddy County, New Mexico.

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 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, Pennzoil Exploration and Production Company, be and the same is hereby authorized to inject water into the San Andres formation at approximately 1430 feet to approximately 1833 feet through 2 3/8-inch plastic lined tubing set in a packer located within 100 feet of the uppermost injection perforations in the following described wells, for purposes of secondary recovery to wit:

Atoka San Andres Unit Well No.120 330' FSL & 990' FWL UL 'M', Section 11, Township 18 South, Range 26 East, Injection Interval Approximately: 1636 feet to 1692 feet Maximum Injection Pressure: 327 psig

Atoka San Andres Unit Well No.132
990' FNL & 2310' FWL
UL 'C', Section 14, Township 18 South, Range 26 East,
Injection Interval Approximately: 1512 feet to 1687 feet
Maximum Injection Pressure: 302 psig

Atoka San Andres Unit Well No.136 2310' FNL & 1650' FEL UL 'G', Section 14, Township 18 South, Range 26 East, Injection Interval Approximately: 1621 feet to 1805 feet Maximum Injection Pressure: 324 psig

All wells NMPM, Eddy County, New Mexico.

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 well, the casing 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.

As there was insufficient data supplied with the application to allow for higher injection pressures, the injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection wells to no greater than .2 psi per foot of depth to the uppermost injection perforations.

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 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 Artesia district office of the Division of the date and time of the installation of injection equipment and of the mechanical integrity tests so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia 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.

The subject wells shall be governed by all provisions of Division Order No. R-3476 as amended and Rules 702-706 of the Division Rules and Regulations not inconsistent herewith.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed 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 injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject wells, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

DONE at Santa Fe, New Mexico, on this 18th day of November, 1997.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. JEMAY

Director

SEAL

WJL/BES

cc: Oil Conservation Division - Artesia

Case File No.3831