Form 3160-5 (June 1990)

(This space for Federal or State office use)

Approved by _______ Conditions of approval, if any:

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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Hobbs, NM 88241 Budget Bureau No. 1004-01 Expires: March 31, 1993

PROVED No. 1004-0135

RECEIVES. Lease Designation and Serial No.

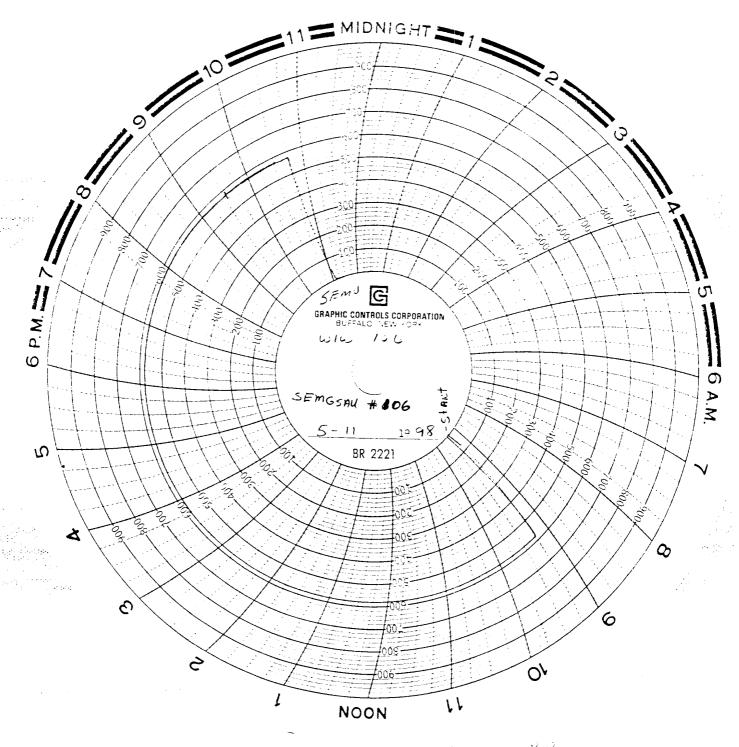
Date .

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1998	IIIN		_	- 6	If Indian, Allottee or Tribe Nam			

Do not use this form for proposals to dr	AND REPORTS ON WELLS 1998 JUN - 3 rill or to deepen or reentry to a different reserved R PERMIT—" for such proposals	
SUBMIT	EXICO	
2. Name of Operator Cross Timbers Operating Compa 3. Address and Telephone No. 3000 N. Garfield, Suite 175, 4. Location of Well (Footage, Sec., T., R., M., or Survey D 1040' FSL & 420' FEL, Sec. 3	Midland, TX 79705 915/682-8873 Description) 10, %17S, R33E, Unit Ltr P	8. Well Name and No. SEMGSAU #106 9. API Well No. 30-025-33353 10. Field and Pool, or Exploratory Area Maljamar Grayburg Andres 11. County or Parish, State Lea Co., NM
	(s) TO INDICATE NATURE OF NOTICE, REI	
Rigged up pulling unit. Inst tubing. Ran Arrowset 1-XS pa packer fluid into annulus. S	Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other Other Called BOP. Pulled and laid down reacher on 2-3/8" internally plastic of Set tubing & packer @ 4181'. Remove annulus to 580 psig. Held OK (chain jection on May 12, 1998 at an est	ods, pump and production coated tubing. Pumped ed BOP. Installed wellhead. art attached). Moved off
ADMINISTRATIVE ORDER NO. WFX 14. I hereby certify that the foregoing is true and correct	ACCEPTED FOR REGORD	IG. SGD.) GARY GOURLEV

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Title .



original chart marked to CCD/Habbs

Oil CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

RECTO. / MIDLAND

FEB 16 1998

ADMINISTRATIVE ORDER NO. WFX-731

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APPLICATION OF CROSS TIMBERS OPERATING COMPANY TO EXPAND ITS WATERFLOOD PROJECT IN THE MALJAMAR GRAYBURG-SAN ANDRES POOL IN LEA COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-3469 as amended, Cross Timbers Operating Company has made application to the Division on December 4, 1997 for permission to expand its Southeast Maljamar Grayburg-San Andres Unit Waterflood Project in the Maljamar Grayburg-San Andres Pool in Lea 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, Cross Timbers Operating Company, be and the same is hereby authorized to inject water into the Grayburg formation at approximately 4218 feet to approximately 4395 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 .2 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 Grayburg 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 Hobbs 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 Hobbs 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-3134, as amended and Rules 702-706 of the Division Rules and Regulations not inconsistent herewith.

PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon 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 10th day of February, 1998.

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

LORIWROTENBERY

Director

SEAL

LW/BES/kv

cc: Oil Conservation Division - Hobbs

Case File No.3462

EXHIBIT "A"

DIVISION ORDER NO. WFX-731 SOUTHEAST MALJAMAR GRAYBURG-SAN ANDRES UNIT WATERFLOOD PROJECT APPROVED INJECTION WELLS

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The Pressu	864 PSIG	DIDG VV8	01000	838 F2IG	850 PSIG	5124 PS8	
Ressure A Medication of Gradient A Fressure	2 psi/ft	2 nsi/ft	11 usy 2:	17 psp.11	.2 psi/ft	2 nei/ft	37. · · · ·
Tubing	2 3/8"	2 3/8"	7 3/9"	0/07	2 3/8"	2 3/8"	10/60
Racker Depth	4262'	4158'	4192'	7771	4190	4212'	1000
in Interval	4322'-4395'	4218'-4279'	4252'-4278'	10004 10004	4250.4508	4272'-4324'	4787, 4337,
S.T.R.	32-17S-33E	30-17S-33E	29-17S-33E	70 170 22	27-1/3-33E	29-17S-33E	29-17S-33F
Units	D	Д	×	2	2	0	۵
Location with	500' FNL & 330' FWL	1040' FSL & 420' FEL	1310' FSL & 750' FWL	1070' FST & 1888' FWT	74 1 0001 37 77 770	1165' FSL & 2010' FEL	1200' FSL & 900' FEL
Well Work	15	106	610	614		710	714
Well Name	SEMGSAU	SEMGSAU	SEMGSAU	SEMGSAU		SEMGSAU	SEMGSAU

All wells in Lea County, New Mexico