



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

FOR RECORD ONLY

GARY E. JOHNSON
Governor
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Cabinet Secretary

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Director
Oil Conservation Division

ADMINISTRATIVE ORDER NO. PMX-212

***APPLICATION OF TEXACO EXPLORATION AND PRODUCTION, INC. TO
EXPAND ITS PRESSURE MAINTENANCE PROJECT IN THE VACUUM
GRAYBURG-SAN ANDRES POOL IN LEA COUNTY, NEW MEXICO***

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Division Order No. R-5530, as amended, Texaco Exploration and Production, Inc. has made application to the Division on March 23, 2001 for permission to expand its Central Vacuum Unit Pressure Maintenance Project in the Vacuum 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 well is eligible for conversion to injection under the terms of Rule 701.
- (5) The proposed expansion of the above referenced pressure maintenance project will not cause waste nor impair correlative rights.
- (6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, Texaco Exploration and Production, Inc., be and the same is hereby authorized to inject water, carbon dioxide and produced gas into the Grayburg and San

Andres formations at approximately 4,300 feet to 4,700 feet through 2 3/8-inch fiberglass lined tubing, or equivalent, set in a packer located at approximately 4,170 feet in the following described well for purposes of pressure maintenance to wit:

Central Vacuum Unit Well No. 294
10' FNL & 2630' FEL (Unit B) Section 6,
Township 18 South, Range 35 East, NMPM
Lea County, New Mexico
Maximum Injection Pressure Water: 860 psig
Maximum Injection Pressure CO₂ & Produced Gas: 1210 psig

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected fluid enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations, 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 Director of the Division may authorize an increase in the maximum injection pressure shown above upon a proper showing by the operator that such higher pressure will not result in migration of the injected fluid from the Grayburg or San Andres formations.

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 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-5530, 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