



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

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

ADMINISTRATIVE ORDER NO. PMX-200

Donna P. Sylvia

**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 November 18, 1999 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 wells are 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 into the Grayburg and San Andres formations at approximately 4278 feet to approximately 4720 feet through 2 7/8-inch plastic lined tubing, or equivalent, set in a packer located approximately 100 feet above the uppermost injection perforations in the following described wells for purposes of pressure maintenance to wit:

Central Vacuum Unit Well No.242

(API No. 30-025-30104)

90 FNL & 760 FEL, Unit 'A', Section 36,
Township 17 South, Range 34 East, NMPM
Injection Interval 4278 feet to 4720 feet
Maximum Injection Pressure - 857 psig; and

Central Vacuum Unit Well No.345

(API No. 30-025-31204)

1320 FSL & 1850 FWL, Unit 'N', Section 31,
Township 17 South, Range 35 East, NMPM
Injection Interval 4309 feet to 4690 feet
Maximum Injection Pressure - 862 psig,

both located in Lea County, New Mexico.

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 injection wells 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 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.

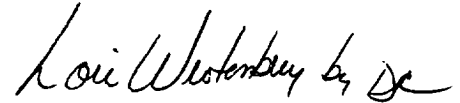
The subject wells shall be governed by all provisions of Division Order No. R-5530, as amended, and Rules 702-706 of the Division Rules and Regulations not inconsistent herewith.

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 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 for the well granted herein, shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the well, 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 3rd day of December, 1999.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY,
Director

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cc: Oil Conservation Division - Hobbs /