

Case No. 12432
Order No. R-9596-A
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(22) 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.

(23) 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 either well and shall take such steps as may be timely and necessary to correct such failure or leakage.

(24) The subject wells should be governed by all provisions of Division Order No. R-9596, as amended, and Rules 701 through 708 of the Division Rules.

(25) The injection authority granted herein for each well should 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.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Amerada Hess Corporation, is hereby authorized to expand its North Monument Grayburg-San Andres Unit Waterflood Project ("NMGSAU") as defined and authorized by Division Order No. R-9596 by converting the two following wells in Township 19 South, Range 37 East, NMPM, Lea County, New Mexico to injection in order to improve recovery efficiency of the waterflood patterns and enhance production of the NMGSAU:

<u>WELL NUMBER</u>	<u>WELL LOCATION</u>	<u>INJECTION INTERVAL</u>	<u>PACKER DEPTH</u>	<u>MAXIMUM PRESSURE</u>
NMGSAU No. 215 30-025-05634	660 FSL & 1980 FEL Unit O, Section 18	3810'-4000'	3760'	762
NMGSAU No. 503 30-025-05641	660 FNL & 1980 FWL Unit C, Section 19	3766'-3864'	3710'	753

(2) Pursuant to Division Order No. R-9494, injection shall be limited to the Grayburg and San Andres formations through the gross interval from approximately 3,766 feet to 4,000 feet.