

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

ADMINISTRATIVE ORDER NO. WFX-730

APPLICATION OF CHEVRON U.S.A. PRODUCTION COMPANY TO EXPAND ITS WATERFLOOD PROJECT IN THE EUNICE MONUMENT GRAYBURG-SAN ANDRES POOL IN LEA COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-7766, Chevron U.S.A. Production Company has made application to the Division on October 8, 1997 for permission to expand its Eunice Monument South Unit Waterflood Project in the Eunice Monument 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 waterflood project will not cause waste nor impair correlative rights.

(6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, Chevron U.S.A. Production Company, be and the same is hereby authorized to inject water into the Grayburg and San Ardres formations at approximately 3778 feet to approximately 4097 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: