

RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET
NO. 08-0257097

IN THE WAHA (CHERRY CANYON-H₂S
DISPOSAL) FIELD, REEVES COUNTY,
TEXAS

FINAL ORDER
AMENDING PERMIT NO. 04076 TO INCLUDE
INJECTION OF FLUIDS CONTAINING HYDROGEN SULFIDE
REESE CLEVELAND GAS UNIT WELL NO. 1
WAHA (CHERRY CANYON- H₂S DISPOSAL) FIELD
REEVES COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on November 23, 2009, the presiding examiner has made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiner's report and recommendation, the findings of fact and conclusions of law contained therein, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that Enterprise Products Operating, LLC is hereby authorized to dispose of fluids containing hydrogen sulfide, gas plant waste water and acid gas into its Reese Cleveland Gas Unit Well No. 1, pursuant to Statewide Rule 36(c)(10)(A) and Statewide Rule 9 and that the Enterprise Products Operating, LLC Reese Cleveland Gas Unit Well No. 1 shall be transferred from the Waha (Delaware) Field to the Waha (Cherry Canyon- H₂S Disposal) Field, Reeves County, Texas.

It is further **ORDERED** by the Railroad Commission of Texas that Permit No. 04076, issued November 9, 1983, as amended November 23, 1983, for the Reese Cleveland Gas unit Well No. 1 is hereby amended to include provisions for and to authorize disposal of fluids containing H₂S, gas plant waste water, and acid gas. Enterprise Products Operating, LLC is hereby authorized to conduct said disposal operations in the Reese Cleveland Gas Unit Well No. 1, Waha (Cherry Canyon-H₂S Disposal) Field, Reeves County, Texas, subject to the following terms and conditions:

SPECIAL CONDITIONS:

1. Waste shall only be injected into strata in the subsurface depth interval from 6,190 feet to 6,300 feet.
2. The maximum daily injection volume shall not exceed 840 barrels of water per day and 8,500 MCF of compressed acid gas per day.
3. The maximum operating surface injection pressure shall not exceed 1,800 psig.
4. Before injection operations can begin, Enterprise Products Operating, LLC must have an approved Rule 36 H₂S contingency plan for the well.
5. Before injection operations can begin, remedial inspection or reworking operations must be performed on the plugged and abandoned Chevron Reese Cleveland Gas Unit Well No. 1 (API #42-389-10198) to confirm that the top of cement behind the 11 3/4" casing is sufficient to form a barrier to migration of injection fluid from the approved strata.

STANDARD CONDITIONS:

1. Injection must be through tubing set on a packer. The packer must be set no higher than 100 feet above the top of the permitted interval.
2. The District Office must be notified 48 hours prior to:
 - a. running tubing and setting packer;
 - b. beginning any workover or remedial operation;
 - c. conducting any required pressure tests or surveys.
3. The wellhead must be equipped with a pressure observation valve on the tubing and for each annulus.
4. Prior to beginning injection, and subsequently after any workover, an annulus pressure test must be performed. The test pressure must equal the maximum authorized injection pressure or 500 psig, whichever is less, but must be at least 200 psig. The test must be performed and the results submitted in accordance with the instructions of Form H-5.
5. The injection pressure and injection volume must be monitored at least monthly and reported annually on Form H-10 to the Commission's Austin Office.
6. Within 30 days after completion, conversion to disposal, or any workover which results in a change in well completion, a new Form W-2 or G-1 must be filed in duplicate with the District Office to show the current completion status of the well.

The date of the disposal well permit and the permit number must be included on the new Form W-2 or G-1.

7. Written notice of intent to transfer the permit to another operator must be submitted to the Commission at least 15 days prior to the date the transfer will occur by filing Form P-4.
8. This permit will expire when the Form W-3, Plugging Record, is filed with the Commission.

Provided further that, should it be determined that such injection fluid is not confined to the approved strata, then the permission given herein is suspended and disposal operation must be stopped until the fluid migration from such strata is eliminated. The special permit conditions may be modified after notice and opportunity for hearing to prevent migration of injection fluid from the approved strata.

Done this 15th day of December, 2009.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
OGC Unprotected Master Order dated
December 15, 2009)**