

**STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**

**SUPERVISOR OF WELLS INSTRUCTION 1-2023
CLASS II INJECTION WELLS - ALTERNATING WELL STATUS AND CYCLIC
INJECTION WELLS**

Purpose

The purpose of this Supervisor of Wells Instruction is to provide consistent standards for the approval of alternating well types/statuses for wells permitted as Class II Injection Wells for enhanced recovery, under the authority of Part 615, Supervisor of Wells, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), and the administrative rules promulgated thereunder.

Applicable Statute and Rule

Section 61506 of Part 615 states:

The supervisor shall prevent the waste prohibited by this part. To that end, acting directly or through his or her authorized representatives, the supervisor is specifically empowered to do all of the following: (a) To promulgate and enforce rules, issue orders and instructions necessary to enforce the rules, and do whatever may be necessary with respect to the subject matter stated in this part to implement this part, whether or not indicated, specified, or enumerated in this or any other section of this part.

R 324.1301 of the administrative rules promulgated under Part 615 states in part:

The supervisor, under section 61506 of the act, may do any of the following:
(a) Enforce all rules, issue orders, determinations, and instructions necessary to enforce the rules and regulations, and do whatever may be necessary with respect to the subject matter stated in these rules to carry out the purposes of these rules and the act, whether or not the orders, determinations, or instructions are indicated, specified, or enumerated in the act or rules.

Background

Over the course of operating a Class II Injection Well for enhanced recovery operations, it may be necessary to convert or alternate a well status from an injection well to a hydrocarbon producing well or to an observation well. Alternating a well status is required on a relatively infrequent basis. Additionally, and separately, cyclic injection, utilizing steam injection for example, has been widely utilized for extraction of heavy crude oil. Cyclic injection, conversely, and by design, frequently and regularly alternates between states of injecting and producing status. Cyclic injection is currently regulated in the administrative rules promulgated under Part 615.

The Supervisor of Wells is issuing this Instruction to allow for alternating well statuses, and to distinguish alternating well statuses from cyclic injection, acknowledging that

changes in reservoir flood geometry or patterns may occur over the life of an enhanced oil or gas recovery project. Any allowance for alternating a well status must ensure the existing permit status as an injection well is maintained as previously approved to prevent waste, prevent the drilling of unnecessary wells, and to protect underground sources of drinking water.

Definitions

As used in this Instruction:

“Alternating Well Status” means a well that alternates between an active injection well and/or a producing hydrocarbon well and/or an active observation well, while maintaining the previously approved permit type as a Class II injection well. Alternating Well Status wells change status occur infrequently and exclude Cyclic Injection wells.

“Class II Injection Well” means a well that is used for enhanced recovery of oil or natural gas.

“Cyclic Injection Well” means a well with frequent and regular alternating of injection of fluids and production of hydrocarbons within the same well. Cyclic Injection does not include well treatment or well stimulation operations.

Applicability of Instruction

This Instruction applies to oil and gas operations commenced after the effective date of the Instruction. Other terms used in this Instruction have the same meaning as in the administrative rules promulgated under Part 615. All other administrative rules promulgated under Part 615 for Class II Injection Wells remain in effect.

Instruction

The following requirements and conditions apply to the authorization and operation of a well with an alternating well status:

1. For any application for alternating well status, the well shall be currently permitted as a Class II injection well for enhanced recovery.
2. To apply for alternating well status, a permittee shall submit an Application to Change Well Status (EQP 7200-06).
3. Upon receipt of an approved Application to Change Well Status (EQP 7200-06) for alternating well status, the operator shall submit a Record of Change of Well Status (EQP 7200-08) within 60 days from the time the well status change has occurred.
4. The sequence of submitting an Application to Change Well Status and Record of Change of Well Status shall apply to each occurrence of alternating well type/status.
5. Wells having alternate well status are subject to existing reporting and monitoring requirements consistent with Part 615 of the Administrative Rules, i.e., an alternating status of “producing” is subject to all existing production reporting

requirements while an alternating status of “observation” is subject to the reporting requirements of an observation well as follows:

- a. Fluid levels shall be reported on a semi-annual basis
- b. Well head pressure shall be reported on a semi-annual basis

6. If the conversion process from injection to production or observation requires the unseating of the packer/tubing, a MIT with notification in MiSTAR would need to occur each time, with a letter authorizing injection being received by the operator, prior to resuming injection.

The following requirements and conditions apply to the authorization and operations of a cyclic injection well:

- 1. For wells where regular cyclic injection is contemplated a Class II Injection Well Permit is required and a secondary recovery petition pursuant to Rule 612 may be necessary. If the well proposing cyclic injection has been permitted as Class II Injection Well, the initial change request to cyclic injection shall be done through an Application to Change Well Status (EQP 7200-06) and follow-up Record of Change Well Status (EQP 7200-08).
- 2. While a Cyclic Injection Well is in active operation no Application to Change Well Status (EQP 7200-06) and Record of Change Well Status (EQP 7200) is required for the well status changes.
- 3. Cyclic injection wells are subject to the established annual reporting requirements for Class II injection and hydrocarbon production requirements consistent with the cycling basis of the well.
- 4. If the conversion process from injection to production or observation requires the unseating of the packer/tubing, a MIT with notification in MiSTAR would need to occur each time, with a letter authorizing injection being received by the operator, prior to resuming injection.

Exceptions

The Supervisor may grant an exception to the provisions of this Instruction if necessary to protect the environment, public safety, or worker safety.

THIS INSTRUCTION IS EFFECTIVE September 29, 2023.



Date: September 20, 2023

ADAM W. WYGANT
ASSISTANT SUPERVISOR OF WELLS