

CASE NO. 5413: ANADARKO PROD. CO.  
for three unorthodox injection  
well locations and amendment of  
Order No. R-4907. Eddy County

CASE No.

54/3

Application,  
Transcripts,  
Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
February 5, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Anadarko Production  
Company for three unorthodox  
injection well locations and  
amendment of Order No. R-4907,  
Eddy County, New Mexico.

CASE NO. 5413

BEFORE: Richard L. Stamets, Examiner

For the New Mexico Oil  
Conservation Commission:

Thomas Derryberry, Esq.  
Legal Counsel for the  
Commission  
State Land Office Building  
Santa Fe, New Mexico

For the Applicant:

Thomas Kellahin, Esq.  
KELLAHIN & FOX  
500 Don Gaspar  
Santa Fe, New Mexico

THE NYE REPORTING SERVICE  
STATE-WIDE DEPOSITION NOTARIES  
225 JOHNSON STREET  
SANTA FE, NEW MEXICO 87501  
TEL. (505) 982-0386

I N D E X

PAGE

DANIEL G. KERNAGHAN

Direct Examination by Mr. Kellahin  
Cross Examination by Mr. Stamets

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E X H I B I T S

Applicant's Exhibits Nos. 1 and 2

9

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MR. STAMETS: Case 5413.

MR. DERRYBERRY: Case 5413. Application of Anadarko Production Company for three unorthodox injection well locations and amendment of Order No. R-4907, Eddy County, New Mexico.

MR. STAMETS: We call for appearances in this case.

MR. KELLAHIN: Tom Kellahin of Kellahin and Fox, Santa Fe, New Mexico, appearing on behalf of Anadarko Production Company, and I have one witness to be sworn.

MR. STAMETS: You will stand and be sworn, please?

(Witness sworn.)

DANIEL G. KERNAGHAN

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you please state your name, by whom you are employed and in what capacity?

A My name is Dan Kernaghan. I am employed as the Division Evaluation Engineer by Anadarko Production Company.

Q Have you previously testified before the Commission and had your qualifications as an expert witness

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accepted and made a matter of record?

A Yes, sir.

Q Did you previously testify in the case which resulted in Order No. R-4907 concerning this waterflood project in the Artesia State Unit?

A Yes, I did.

Q Are you familiar with the facts surrounding this particular Application?

A Yes, I am.

MR. KELLAHIN: If the Examiner please, are the witness' qualifications acceptable?

MR. STAMETS: They are.

BY MR. KELLAHIN:

Q Mr. Kernaghan, would you please refer to what has been marked as Exhibit No. 1, identify it, and state briefly what Anadarko is seeking?

A Exhibit No. 1 is a map of the Artesia State Unit with the outline of this Unit shown in orange. On it are shown the locations of our proposed producing and injection wells with the three wells in question here colored in red. They are shown as the red triangles. These are Wells 6-2, our old 10-1 which becomes Well 1-2 which we moved over to our State E Lease, and Well 7-1. These are shown as Wells

2, 3 and 6, the small numbers 2, 3 and 6 on this exhibit.

MR. STAMETS: Would you run through this just one time? No. 6, what was its old number?

THE WITNESS: No. 6 is 7-1, which is its new number. The 6 is just an identification number as presented in the original hearing. Its new designation would be 7-1.

MR. STAMETS: All right, No. 2?

THE WITNESS: It was 10-1. It will now become 1-2. This was Well 10-1 on our plan of operations submitted to the State. It becomes Well 1-2 since we moved it across the tract line.

MR. STAMETS: And Well No. 3?

THE WITNESS: Well No. 3 is 6-2 and it stays on Tract 6.

BY MR. KELLAHIN:

Q Let's begin with the well designated 6-2, Mr. Kernaghan, and will you explain to the Examiner, first of all, your proposed new location which is also an unorthodox location and then the reasons why you are requesting that new location?

A Okay. We request that this location be moved 200 feet due north which would put it still 10 feet from the tract line. We are requesting this because there is a

KERNAGHAN-DIRECT

deep draw that ran through the original location and it would require quite a bit of fill and require -- cause some problems in maintaining that location in the future. This is substantial drainage for the area.

Q The proposed new location for this Well 6-2 is set forth on Exhibit 2?

A That is correct. It will be 1530 feet from the south line and 1310 feet from the west line of Section 13, or 200 feet from the south line and 10 feet from the west line of that 40-acre tract.

MR. STAMETS: I believe you said 100 feet, and I believe Exhibit No. 2 shows 200 feet.

THE WITNESS: If I said 100, that is incorrect. It is 200. I am sorry.

BY MR. KELLAHIN:

Q Were there any other topographical problems encountered so as to preclude you from moving this well in any other direction?

A Well, to move it any further south, you would have had to go a considerable distance further south to clear the draw. We are moving in a direction to eliminate our problem within the shortest distance. We are moving it to a clear location, and the closest clear location.

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Q Now, if you will refer to the well designated as 7-1 and explain its new location and the reason for the change?

A Well 7-1, we are requesting that it be moved 50 feet east of the location originally requested to avoid a high line that goes through the area and some rocky terrain. It is basically the high line that is causing our problem here.

Q And the 50-foot move in the easterly direction is the closest suitable topographical site for the well?

A That's correct.

Q All right, sir. Now, if you will refer now to what is designated Well 1-2 and explain the change there?

A Okay. We are requesting that this well be moved 125 feet due west. This location also slopes into a draw. It is on the edge of this draw, and the movement here would get it out of that draw onto a flat area. This provides a good location.

Q Could you have moved this well location in any other direction?

A We couldn't have moved it any other direction without moving it further.

Q This, then, is the closest more reasonable

KERNAGHAN-DIRECT

topographical site for the well?

A That is correct.

Q In addition to those three specific amendments to well locations in Order R-4907, are you seeking any further amendments of Order R-4907?

A Well, we are requesting that we have administrative approval for future changes within 200 feet of the well line, although this request would not affect the changes here at all. They are all closer than 200 feet to the lease line, but we ask that this be changed in the future in the event something else comes up.

Q Let me have you restate that again, Mr. Kernaghan. The approval of a simple amendment to allow unorthodox producing and injection wells located within 200 feet of the outer unit boundaries does not encompass the three particular problems you have just alluded to?

A That is correct.

Q Are there any other additions or corrections that you would like to have the Commission consider with regard to Order R-4907?

A No, there is not.

Q Were Exhibits 1 and 2 prepared by you directly  
— or under your direction and supervision?

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A They were.

Q Will approval of this Application be in the best interest of conservation and prevention of waste and the protection of correlative rights?

A Well, yes, it will. It will enable us to maintain injection well locations with less environmental problems.

MR. KELLAHIN: I move the introduction of Exhibits 1 and 2.

MR. STAMETS: Exhibits 1 and 2 will be admitted into evidence.

(Whereupon, Applicant's Exhibits Nos. 1 and 2 were marked for identification, and were admitted into evidence.)

MR. KELLAHIN: That concludes our direct examination of this witness.

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Kernaghan, what is the necessity for permitting these non-standard locations of injection or producing wells to within 200 feet of the outer boundary of the unit?

A There is no necessity that I can think of at this time. This was a change that was suggested as possibly helping in the future, but as we see things right now, we

have no immediate plans in mind that this change would affect at all.

(Whereupon, a discussion was held off the record.)

BY MR. STAMETS:

Q Mr. Kernaghan, I understand from your response to that last question, that to get within 200 feet of the outer boundaries of the unit is not a particular problem to you at this time, and you really don't need that, but you would still like to be allowed to have non-standard locations for injection wells or producing wells within the unit, say, as close as 330 feet to the outer boundaries of the unit?

A That is correct.

Q Such administrative procedure would be the typical one that we have issued in a number of other cases, and we provide the notices and safeguards that are found in the administrative procedure for injection wells in the Commission Rule Book for administrative approval of non-standard locations.

MR. KELLAHIN: That is quite satisfactory.

MR. STAMETS: Are there any other questions of this witness?

He may be excused.

(Witness dismissed.)

MR. STAMETS: Is there anything further in this case?

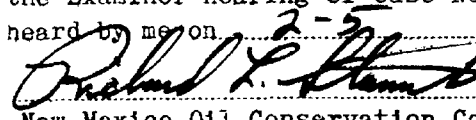
MR. KELLAHIN: No, sir.

MR. STAMETS: We will take the case under advisement.

STATE OF NEW MEXICO )  
                              ) SS.  
COUNTY OF SANTA FE )

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

  
COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5413 heard by me on 2-5, 1973.  
  
Richard L. Nye, Examiner  
New Mexico Oil Conservation Commission

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# OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
P. O. BOX 2088 - SANTA FE  
87501

**I. R. TRUJILLO**  
CHAIRMAN

LAND COMMISSIONER  
PHIL R. LUCERO  
MEMBER

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY -- DIRECTOR

February 25, 1975

Mr. Tom Kellahin  
Kellahin & Fox  
Attorneys at Law  
Post Office Box 1769  
Santa Fe, New Mexico

Re: CASE NO. 5413  
ORDER NO. R-4907-A

Applicant:  
Anadarko Production Co.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, JR.

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC	<u>X</u>
Artesia OCC	<u>X</u>
Aztec OCC	

Other \_\_\_\_\_

- CASF 5411: Application of David C. Collier for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Kersey Well No. 1-Y, to be drilled 1980 feet from the South line and 2330 feet from the West line of Section 33, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico.
- CASE 5412: Application of Phillips Petroleum Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of its Eaves Unit Area, comprising 3,496 acres, more or less, of State lands in Township 21 South, Range 33 East, Lea County, New Mexico.
- CASE 5413: Application of Anadarko Production Company for three unorthodox injection well locations and amendment of Order No. R-4907, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the relocation at unorthodox locations of three of its injection wells in its Artesia State Unit Waterflood Project, all in Township 18 South, Range 27 East, Eddy County, New Mexico, as follows: Well No. 6-2 to 1530 feet from the South line and 1310 feet from the West line of Section 13; Well No. 7-1 to 10 feet from the North line and 2580 feet from the East line of Section 23; and Well No. 10-1 to 1310 feet from the South line and 1435 feet from the East line of Section 14. Applicant further seeks the amendment of Order No. R-4907 to permit administrative approval of unorthodox producing and injection well locations to within 200 feet of the outer unit boundary.
- CASE 5414: Application of Continental Oil Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a non-standard 360-acre gas proration unit comprising the SE/4 and E/2 SW/4 of Section 28 and the N/2 NE/4 and NE/4 NW/4 of Section 33, both in Township 20 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its Meyer B-28 A Com Acct. 2 Wells Nos. 2 and 3, located, respectively, in Unit O of said Section 28 and in Unit B of said Section 33.
- CASE 5404: Southeastern Nomenclature case calling for the creation, abolishment, and extension of certain pools in Lea and Chaves Counties, New Mexico:
- (a) CREATE A new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the South Brunson-Abo Pool. The discovery well is the Cities Service Oil Company State P Well No. 4 located in Unit M of Section 32, Township 22 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM  
SECTION 32: SW/4



BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 5413  
Order No. R-4907-A

APPLICATION OF ANADARKO PRODUCTION  
COMPANY FOR THREE UNORTHODOX INJECTION  
WELL LOCATIONS AND AMENDMENT OF ORDER  
NO. R-4907, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 5, 1975,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 25th day of February, 1975, the Commission,  
a quorum being present, having considered the testimony, the  
record, and the recommendations of the Examiner, and being fully  
advised in the premises,

FINDS:

(1) That due public notice having been given as required by  
law, the Commission has jurisdiction of this cause and the subject  
matter thereof.

(2) That the applicant, Anadarko Production Company,  
is the operator of the Artesia State Unit Waterflood Project  
authorized by Commission Order No. R-4907, dated November 5,  
1974.

(3) That for topographic reasons the applicant seeks to  
relocate three of the injection wells authorized by said order  
in Township 18 South, Range 27 East, NMPM, as follows:

<u>Well No.</u>	<u>Change Location</u>	<u>New Location</u>
6-2	200' North	1530' FSL & 1310' FWL Sec. 13
7-1	50' East	10' FNL & 2580' FEL Sec. 23
1-2	125' West	1310' FSL & 1435' FEL Sec. 14

(4) That the application for said relocation should be  
approved.

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Case No. 5413  
Order No. R-4907-A

(5) That the applicant further seeks the amendment of Order (6) of said Order No. R-4907 to provide for the administrative approval of additional producing wells and injection wells within said project at locations within 330 feet of the outer boundary of said unit.

(6) That approval of this application will provide the operator with greater flexibility in establishing an efficient production and injection pattern and will not violate correlative rights.

(7) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Anadarko Production Company, is hereby authorized a change in location of three injection wells in Township 18 South, Range 27 East, NMPM, Artesia State Unit Waterflood Project, Eddy County, New Mexico, as follows:

<u>Well No.</u>	<u>Authorize Location Change</u>	<u>Approved New Location</u>
6-2	200' North	1530' FSL & 1310' FWL Sec. 13
7-1	50' East	10' FNL & 2580' FEL Sec. 23
1-2	125' West	1310' FSL & 1435' FEL Sec. 14

(2) That Order (6) of Commission Order No. R-4907 is hereby amended to read in its entirety as follows:

"(6) The Secretary-Director of the Commission is hereby authorized to approve such additional producing wells and injection wells at orthodox and unorthodox locations within the boundaries of the Artesia State Unit Area as may be necessary to complete an efficient production and injection pattern, provided said wells are drilled no closer than 330 feet to the outer boundary of said unit nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary. To obtain such approval, the project operator shall file proper application with the Commission, which application, if it seeks authorization to convert additional wells to injection or to drill additional production or injection wells shall include the following:

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Case No. 5413

Order No. R-4907-A

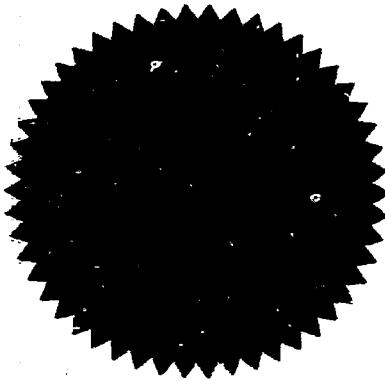
- (a) A plat showing the location of the proposed well, all wells within the project area, and offset operators, locating wells which offset the project area.
- (b) A schematic drawing of the proposed well which fully describes the casing, tubing, perforated interval, and depth.
- (c) A letter stating that all offset operators to the proposed well have been furnished a complete copy of the application and the date of notification.

The Secretary-Director may approve the proposed well if, within 20 days after receiving the application, no objection to the proposal is received. The Secretary-Director may grant immediate approval, provided waivers of objection are received from all offset operators."

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



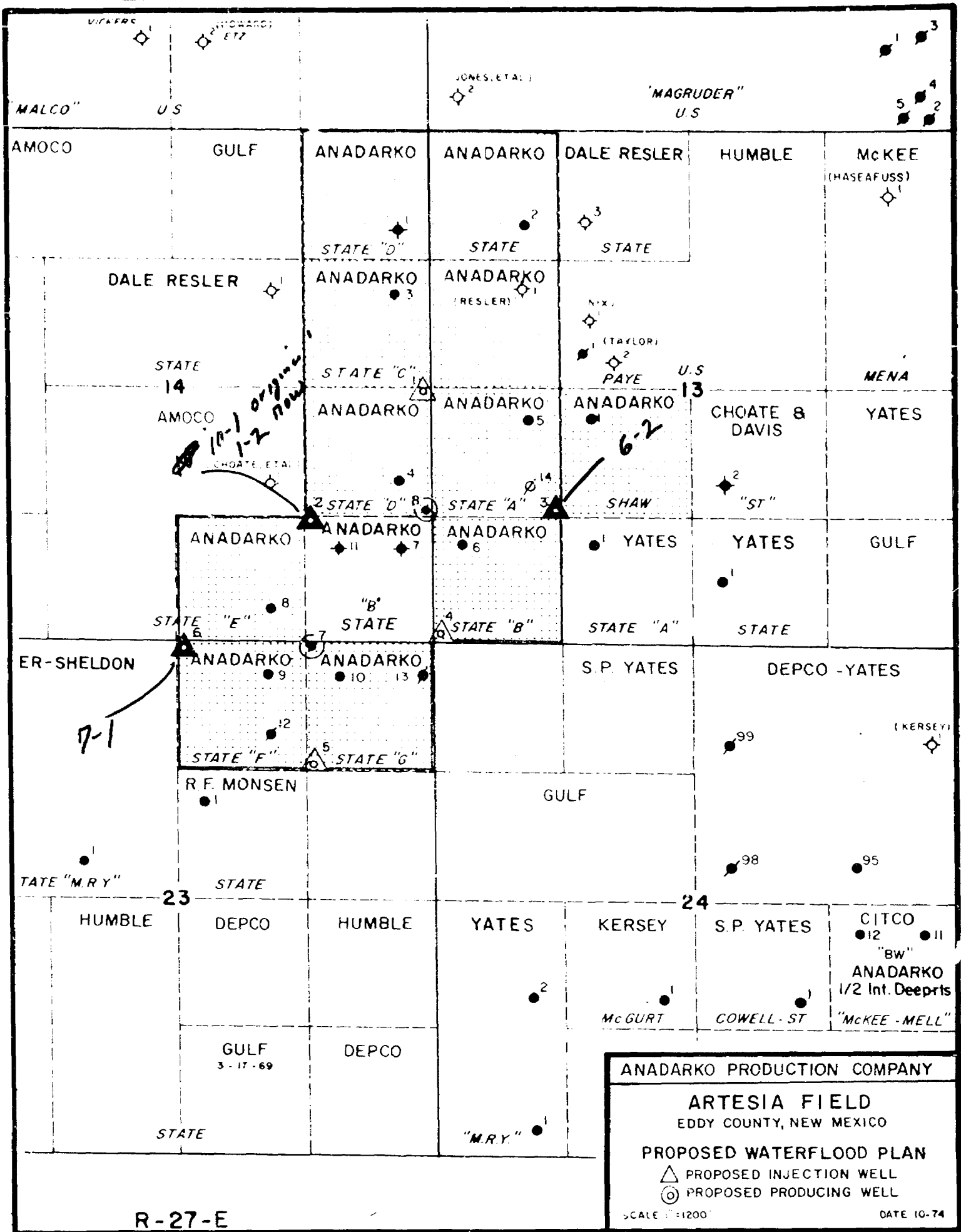
S E A L

I. R. TRUJILLO, Chairman

*Phil R. Lucero*  
PHIL R. LUCERO, Member

*A. L. Porter, Jr.*  
A. L. PORTER, Jr., Member & Secretary

jr/



ARTESIA STATE UNIT  
REVISED INJECTION WELL LOCATIONS

<u>Well No.</u>	<u>Change</u>	<u>New Location</u>
2-1	No change	10' FS & WL Sec. 13
5-2	No change	2630' FSL & 10' FEL Sec. 14
6-2 <i>To avoid draw</i>	200' north	1530' FSL & 1310' FWL Sec. 13
7-1 <i>high line</i>	50' east	10' FNL & 2580' FEL Sec. 23
9-2	No change	1310' FN & EL Sec. 23
1-2 (was 10-1) <i>to avoid draw</i>	125' west	1310' FSL & 1435' FEL Sec. 14

BEFORE EXAMINER STAMETS	
OIL CONSERVATION COMMISSION	
<i>Ana</i> <del>ALARKO</del>	EXHIBIT NO. <u>2</u>
CASE NO. <u>5413</u>	
Submitted by <u>DAN KERNAGHAN</u>	
Hearing Date <u>5 Feb 75</u>	

Case 5413

KELLAHIN AND FOX  
ATTORNEYS AT LAW  
500 DON GASPAR AVENUE  
POST OFFICE BOX 1769  
SANTA FE, NEW MEXICO 87501

JASON W. KELLAHIN  
ROBERT E. FOX  
W. THOMAS KELLAHIN

TELEPHONE 982-4315  
AREA CODE 505

January 3, 1975

New Mexico Oil Conservation Commission  
P. O. Box 2008  
Santa Fe, New Mexico 87501

ATTENTION: Ida Rodriguez

Dear Ida:

Please schedule this application for the examiner  
hearing on February 5, 1975.

Very truly yours,

  
W. Thomas Kellahin

WTK:ks

Enclosure

cc: Mr. Dan Kernaghan

DOCKET MAILED  
Date 1-24-75

BEFORE THE  
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF ANADARKO PRODUCTION COMPANY  
FOR AMENDMENT TO ORDER NO. R-4907  
WHICH APPROVED THE ARTESIA STATE  
UNIT AREA WATERFLOOD PROJECT,  
EDDY COUNTY, NEW MEXICO, AND FOR  
THE RELOCATION AT UNORTHODOX LOCA-  
TIONS CERTAIN INJECTION WELLS THEREIN

A P P L I C A T I O N

COMES NOW ANADARKO PRODUCTION COMPANY and applies to the Oil Conservation Commission of New Mexico for an Order Amending Order No. R-4907 to provide that applicant may obtain administrative approval for the drilling of production and injection wells at unorthodox well location no closer than 200 feet from the outer boundary of said unit, and, in addition, for permission to relocate three unorthodox injection wells, and in support thereof would show:

1. That applicant is the operator of the Anadarko Production Company Artesia State Unit Waterflood previously approved by Commission Order No. R-4907 entered on November 5, 1974.

2. That applicant requests a modification of said order changing the provision for administrative approval of well locations from 660 feet from the outer boundary

of said unit to 200 feet from the outer boundary of said unit.

3. For topographical reasons, the applicant desires approval to relocate the following injection well locations:

Well 6-2    Section 13

a) Previously approved location:

1330 feet from the South Line and  
1310 feet from the West Line

b) New requested unorthodox location:

— 1530 feet from the South Line and  
— 1310 feet from the West Line

Well 7-1    Section 23

a) Previously approved location:

10 feet from the North Line and  
2630 feet from the East Line

b) New requested unorthodox location:

— 10 feet from the North Line and  
— 2580 feet from the East Line

Well No. 10-1    Section 14

a) Previously approved location:

1310 feet from the South Line and  
1310 feet from the East Line

b) New requested unorthodox location:

— 1310 feet from the South line and  
— 1435 feet from the East Line

4. The granting of the application will result in the prevention of waste and the protection of correlative rights.



WHEREFORE, applicant respectfully requests this matter be set for hearing before the Commission's duly appointed Examiner and that upon hearing, an order be entered approving the application as requested.

Respectfully submitted,

ANADARKO PRODUCTION COMPANY

By 

KELLAHIN & FOX

P. O. Box 1769

Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

dr/

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 5413

Order No. R-4907-A

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COMPANY FOR THREE UNORTHODOX INJECTION  
WELL LOCATIONS AND AMENDMENT OF ORDER  
NO. R-4907, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 5, 1975  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of February, 1975, the Commission,  
a quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, and being fully advised  
in the premises,

FINDS:

(1) That due public notice having been given as required by  
law, the Commission has jurisdiction of this cause and the subject  
matter thereof.

(2) That the applicant, Anadarko Production Company,  
is the operator of the Artesia State Unit Waterflood Project  
authorized by Commission Order No. R-4907, dated November 5,  
1974.

Case No. 5413  
Order NO. R-4907-A

(3) That for topographic reasons the applicant seeks to relocate three of the injection wells authorized by said order *in Township 18 South, Range 27 East, NMPM, as follows:*

<u>Well No.</u>	<u>Change Location</u>	<u>New Location</u>
6-2	200' North	1530' FSL & 1310' FWL Sec. 13
7-1	50' East	10' FNL & 2580' FEL Sec. 23
1-2 <del>(was 10-1)</del>	125' West	1310' FSL & 1435' FEL Sec. 14

(4) That the application for said relocation should be approved.

(5) That the applicant further seeks the amendment of Order (6) of said Order No. R-4907 to provide for the administrative approval of additional producing wells and injection wells within said project at locations within 330 feet of the outer boundary of said unit.

(6) That approval of this application will provide the operator with greater flexibility in establishing an efficient production and injection pattern and will not violate correlative rights.

(7) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Anadarko Production Company, is hereby authorized a change in location of three injection wells *in Township 18 South, Range 27 East, NMPM,* Artesia State Unit Waterflood Project, Eddy County, New Mexico, as follows:

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Well No.	Authorize Location Change	Approved New Location
6-2	200' North	1530' FSL & 1310' FWL Sec. 13
7-1	50' East	10' FNL & 2580' FEL Sec. 23
1-2 (was 10-1)	125' West	1310' FSL & 1435' FEL Sec. 14

(2) That Order (6) of Commission Order No. R-4907 is hereby amended to read in its entirety as follows:

"(6) The Secretary-Director of the Commission is hereby authorized to approve such additional producing wells and injection wells at orthodox and unorthodox locations within the boundaries of the Artesia State Unit Area as may be necessary to complete an efficient production and injection pattern, provided said wells are drilled no closer than 330 feet to the outer boundary of said unit nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary. To obtain such approval, the project operator shall file proper application with the Commission, which application, if it seeks authorization to convert additional wells to injection or to drill additional production or injection wells shall include the following:

- (a) A plat showing the location of <sup>the</sup> proposed well, all wells within the project area, and offset operators, locating wells which offset the project area.
- (b) A ~~schematic~~ schematic drawing of the proposed well which fully describes the casing, tubing, perforated interval, and depth.

-4-  
Case No. 5413  
Order No. R-4907-A

- (c) A letter stating that all offset operators to the proposed well have been furnished a complete copy of the application and the date of notification.

The Secretary-Director may approve the proposed well if, within 20 days after receiving the application, no objection to the proposal is received. The Secretary-Director may grant immediate approval, provided waivers of objection are received from all offset operators."

- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.