

CASE 2885: Application of JOHN H.
TRIGG for 4 unorthodox locations
in waterflood project, Chaves Co.

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PHILLIPS PETROLEUM COMPANY
BARTLESVILLE, OKLAHOMA

EXPLORATION AND PRODUCTION DEPARTMENT

August 12, 1963

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention of Mr. A. L. Porter, Jr., Secretary and Director

Caprock-Queen Pool, Chaves County,
New Mexico-Case No. 2885

Gentlemen:

The application of John H. Trigg for approval of four unorthodox locations for his water flood project in the Caprock-Queen Pool, Chaves County, New Mexico, is scheduled for hearing on August 21, 1963, in Santa Fe under Case No. 2885.

It is our understanding that the applicant will drill the following described wells in Section 4, Twp. 14S, 31E, Chaves County, New Mexico, in order to evaluate additional secondary recovery possibilities:

Well No. 37-4- 1320' from the north line, 2475' from the east line Section 4.
Well No. 38-4- 2460' from the north line, 2640' from the east line Section 4.
Well No. 39-4- 1320' from the north line, 1320' from the east line Section 4.
Well No. 40-4- 1320' from the north line, 1650' from the west line Section 4.

As an operator with lease hold interests in the area of the applicant's water flood project, we wish to advise that we have no objection to the drilling of the above wells.

Yours very truly,

Earl Griffin, Manager
Production Division

EG:JRB:bb

cc: John H. Trigg
P. O. Box 106
Maljamar, New Mexico

1

Section 4

Before the
Oil Conservation Commission
of New Mexico

IN THE MATTER OF THE
APPLICATION OF JOHN H.
TRIGG COMPANY FOR AUTHORITY
TO DRILL FOUR WELLS AT UNORTHODOX LOCATIONS CAPROCK
QUEEN POOL CHAVES COUNTY,
NEW MEXICO.

Area 2885

APPLICATION

Comes now John H. Trigg Company and applies to the Oil Conservation Commission of New Mexico for authority to drill four wells at unorthodox locations in Section 4 Township 14 South Range 31 East NMPM at Chaves County, New Mexico as follows:

Section 4
Conservation
8/1/63-JH

1. Well No. 37-4 to be drilled ¹³²⁰~~2,764~~ feet from the North line and 2,475 feet from the East line of Section 4.
2. Well No. 38-4 to be drilled 2,764 feet from the North line and 2,557 feet from the East line of Section 4.
3. Well No. 39-4 to be drilled 1,320 feet from the North line and ¹³¹⁵~~1,320~~ feet from the East line of Section 4.
4. Well No. 40-4 to be drilled 1,320 feet from the North line and 1,485 feet from the West line of Section 4.

Applicant further proposes that said wells be utilized as producing wells in connection with Applicant's water flood project located in the Caprock Queen Oil Pool, Chaves County, New Mexico, and asks provision for administrative approval for the conversion of said wells to water injection.

Wherefor Applicant prays that this application be set for hearing before the Commission's duly appointed examiner and that after notice and hearing the Commission enter its order approving the unorthodox locations for the above described wells together with establishment of an administrative procedure for the conversion of said wells to water injection

in connection with Applicant's Caprock Queen water flood
project.

Respectfully submitted,

By: James W. Kellahin
Kellahin and Fox
P. O. Box 1713
Santa Fe, New Mexico

Attorneys for Applicant

No. 24-63

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 21, 1963

9:00 A.M., - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, as alternate examiner:

- CASE 2355: (Reopened and continued from August 7, 1963 examiner hearing)
In the matter of Case 2355 being reopened pursuant to the provisions of Order No. R-2051-A, which order extended the temporary 320-acre proration units for the Bluit-Wolfcamp Gas Pool, Roosevelt County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 160-acre proration units.
- CASE 2883: Application of Pan American Petroleum Corporation for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a Tubbs gas, Blinebry oil and Paddock gas triple completion, Fowler Field, at an unorthodox location for the Fowler Blinebry Oil Pool 990 feet from the South and West lines of Section 15, Township 24 South, Range 37 East, Lea County, New Mexico.
- CASE 2884: Application of Continental Oil Company for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project by the injection of water into the Dakota formation through its Table Mesa Well No. 25, located in Unit K, Section 34, Township 28 North, Range 17 West, Table Mesa Pool, San Juan County, New Mexico.
- CASE 2885: Application of John H. Trigg for four unorthodox locations, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the following four unorthodox oil well locations in his waterflood project, Caprock Queen Pool, Chaves County, New Mexico, all in Section 4, Township 14 South, Range 31 East:
- 1320 feet from the North line and 2475 feet from the East line;
- 2764 feet from the North line and 2557 feet from the East line;
- 1320 feet from the North line and 1320 feet from the East line;
- 1320 feet from the North line and 1485 feet from the West line.
- CASE 2886: Application of Ambassador Oil Corporation for a capacity waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a capacity allowable waterflood project on its Federal "Q" lease comprising the NW/4 of Section 3, Township 17 South, Range 30 East, Eddy County, New Mexico, by the injection of water into the Square Lake Pool through 2 wells located in the NW/4 of said Section 3.

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No. 24-63

CASE 2887:

Application of Apache Corporation for the creation of the West Kemnitz Wolfcamp Oil Pool, and for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Lower Wolfcamp production in Section 31, Township 16 South, Range 33 East, and the establishment of temporary rules therefor, including provisions for 80-acre spacing and restricted well locations.

CASE 2888:

Application of the British American Oil Producing Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Jalmat Deep Unit Area comprising 10,568.81 acres of State land in Townships 21 and 22 South, Range 35 East, Lea County, New Mexico.

CASE 2889:

Application of A. O. Wooden for the creation of a gas pool, 80-acre spacing therefor, and a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a Queen gas pool for his Harbold Well No. 16 located in Unit N of Section 26, Township 17 South, Range 27 East, Eddy County, New Mexico. Applicant also seeks the establishment of 80-acre spacing for said pool. Applicant further seeks approval of the dual completion (conventional) of the said Harbold Well No. 16 to produce oil from the Premier Sand of the Grayburg formation, Red Lake Pool, through the tubing, and to produce gas from the Penrose sand of the Queen formation through the casing-tubing annulus.

CASE 2876:

(Continued from August 7, 1963 Examiner Hearing)
Application of Consolidated Oil & Gas, Inc. for an unorthodox location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks permission to recomplete its Jicarilla No. 4-8 at an unorthodox Blanco-Mesaverde Pool location 1550 feet from the North line and 890 feet from the West line of Section 8, Township 26 North, Range 5 West, Rio Arriba County, New Mexico.

JASON W. KELLAHIN
ROBERT E. FOX

KELLAHIN AND FOX

ATTORNEYS AT LAW

54 1/2 EAST SAN FRANCISCO STREET
POST OFFICE BOX 1713

SANTA FE, NEW MEXICO

July 30, 1963

TELEPHONES
983-9396
982-2991

Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

Enclosed in triplicate is the application of John H. Trigg Company for approval of four unorthodox well locations, Caprock Queen Oil Pool, Chavez County, New Mexico. We would appreciate having this application set for hearing at the August 21 examiner hearing.

Yours very truly,

Jason W. Kellahin

JASON W. KELLAHIN

JWK: mcs

Enclosures

CC: John H. Trigg Co.
P. O. Box 106
Maljamar, New Mexico

DOCKET MAILED

Date 8-9-63

**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. 2885
Order No. R-2558**

**APPLICATION OF JOHN H. TRIGG
FOR FOUR UNORTHODOX LOCATIONS,
CHAVES COUNTY, NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 21, 1963, at Santa Fe, New Mexico, before Daniel S. Mutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 29th day of August, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Mutter, 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, John H. Trigg, pursuant to the authority granted by Order No. R-1456 entered by the Commission August 1, 1959, is conducting a waterflood operation on his Federal Trigg Lease in Sections 4, 5, and 9, Township 14 South, Range 31 East, NMPM, Caprock-Queen Pool, Chaves County, New Mexico.

(3) That in order to increase the efficiency of said waterflood project, the applicant, John H. Trigg, seeks authority to drill four wells at the following-described unorthodox locations in said Section 4:

Well No. 37-4, Unit B, 1320 feet from the North line
and 2475 feet from the East line;

Well No. 38-4, Unit J, 2764 feet from the North line
and 2557 feet from the East line;

Well No. 39-4, Unit A, 1320 feet from the North line
and 1315 feet from the East line;

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CASE No. 2885
Order No. R-2558

Well No. 40-4, Unit C, 1320 feet from the North line
and 1485 feet from the West line.

(4) That the applicant proposes that said wells be utilized as producing wells in the aforesaid waterflood project, but also seeks provision for administrative approval for the conversion of said wells to water injection at a later date.

(5) That approval of the subject application will not cause waste, but may result in the recovery of oil which would otherwise remain unrecovered.

(6) That approval of the application will not impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, John H. Trigg, is hereby authorized to drill wells at the following-described unorthodox locations in Section 4, Township 14 South, Range 31 East, NMPM, Caprock-Queen Pool, Chaves County, New Mexico:

Well No. 37-4, Unit B, 1320 feet from the North line
and 2475 feet from the East line;

Well No. 38-4, Unit J, 2764 feet from the North line
and 2557 feet from the East line;

Well No. 39-4, Unit A, 1320 feet from the North line
and 1315 feet from the East line;

Well No. 40-4, Unit C, 1320 feet from the North line
and 1485 feet from the West line.

(2) That the aforesaid four wells shall be utilized as oil producing wells in the applicant's waterflood project in the Caprock-Queen Pool unless authorized for water injection after notice and hearing or by administrative approval.

(3) That to obtain administrative approval for the conversion of said wells to water injection, the applicant shall submit, in triplicate, an application in accordance with Rule 701-B of the Commission Rules and Regulations. A copy of the application shall also be sent to each operator offsetting the proposed injection well.

The Secretary-Director may authorize such conversion without notice and hearing provided that no offset operator or the State Engineer objects to the proposed conversion within 15 days. The Secretary-Director may grant immediate approval of

-3-

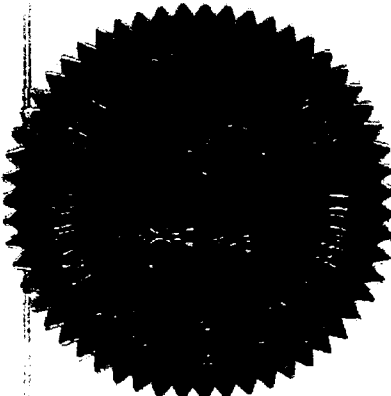
CASE No. 2885
Order No. R-2558

the proposed conversion upon receipt of waivers of objection from all operators offsetting the proposed injection well and from the State Engineer.

(4) 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



Jack M. Campbell

JACK M. CAMPBELL, Chairman

E. S. Walker

E. S. WALKER, Member

A. L. Porter, Jr.

A. L. PORTER, JR., Member & Secretary

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. B. JOHNSON WALKER
MEMBER

P. O. BOX 871
SANTA FE

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

August 29, 1963

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Box 1713
Santa Fe, New Mexico

Re: Case No. 2885
Order No. R-2558
Applicant:
JOHN H. TRIGG

Dear Sir:

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

Very truly yours,

A handwritten signature in cursive script that reads "A. L. Porter, Jr.".

A. L. PORTER, JR.
Secretary-Director

ix/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC x

Antec OCC

OTHER Mr. E. E. Motter - Cities Service - Hobbs, N.M.

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

EXAMINER HEARING

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

IN THE MATTER OF: Application of John H. Trigg
for four unorthodox locations, Chaves County,
New Mexico. Applicant, in the above-styled
cause, seeks approval of the following four
unorthodox oil well locations in his water-
flood project, Caprock Queen Pool, Chaves
County, New Mexico, all in Section 4, Township
14 South, Range 31 East:
1320 feet from the N line & 2475 from E line;
2764 feet from the N line & 2557 from E line;
1320 feet from the N line and 1320 from E line;
1320 feet from the N line and 1485 from W line.)

Case No. 2885

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

August 21, 1963.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

MR. NUTTER: We will call Case 2885.

MR. PAYNE: Application of John H. Trigg for four unorthodox locations, Chaves County, New Mexico.

MR. KELLAHIN: Jason Kellahin, Kellahin & Fox, representing the Applicant. We have one witness, we would like to have him sworn, please.

(Witness sworn.)

(Whereupon, Applicant's Exhibit No. 1 was marked for identification.)

GENE A. SNOW

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A Gene A. Snow.

Q By whom are you employed and in what position?

A John H. Trigg Company, as production superintendent.

Q Are you a petroleum engineer?

A No, sir.

Q Have you testified before the Oil Conservation Commission and made your qualifications as an expert a matter of record?



A Yes, I have.

MR. KELLAHIN: Are the witness's qualifications acceptable?

MR. NUTTER: Yes, sir, they are.

Q Mr. Snow, are you familiar with the application of John H. Trigg in Case No. 2885?

A Yes, sir.

Q Would you state briefly what's proposed in this application?

A To drill four unorthodox locations in the North Half of Section 4, Township 14 South, Range 31 East.

Q Now, referring to what has been marked as Exhibit No. 1, would you identify that exhibit and discuss the information shown on it?

A This shows the relationship of the Trigg waterflood project in relation to the Cities Service project and the Phillips flood, showing the present producing wells, the present injection wells and the proposed well locations.

Q What is the purpose of drilling these wells at the locations proposed, Mr. Snow?

A We have two wells that have not performed as we would like for them to do. We hope to recover this oil that we haven't got before, and to determine the feasibility of a closer spacing.



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Q Would you, for the benefit of the Examiner, discuss the productive history of some of the wells in the immediate vicinity?

A Well, all wells, all producing wells in Section 4 have a secondary to primary ratio. This is an average of 1.8 to 1. Our Wells No. 8 and 15 have not done that. Well No. 8 has a secondary to primary ratio of .16 to 1, and 15 has a secondary to primary ratio of .670 to 1.

Q In your opinion does that indicate that there is oil left in the reservoir that is not being recovered by the present flood?

A That's right. Yes, sir.

Q Do you feel that the drilling of these additional wells will make any difference in this production?

A Yes, sir. We hope to recover this oil that we have not recovered before and to also determine the percent of the reservoir that is flooded out.

Q In what order do you propose to drill the wells? Has that been determined?

A In the order that they are stated in the application, the 37-4 first, 38, 39, then the 40.

Q Will you test them one at a time before you proceed with the next one?



A That's right.

Q Do you propose to use these wells or use them for injection purposes?

A First producing wells, then the information that we get will determine what we'll do later.

Q Do you, in that connection, request the Commission to include in any order in this case the provision for administrative approval for conversion of these specific wells from production to injection?

A Yes, sir, we do.

Q Was Exhibit No. 1 prepared by you or under your supervision?

A Yes, sir.

MR. KELLAHIN: At this time I would like to offer in evidence Exhibit No. 1.

MR. NUTTER: Applicant's Exhibit 1 will be admitted in evidence.

(Whereupon, Applicant's Exhibit No. 1 was offered and admitted in evidence.)

Q (By Mr. Kellahin) Mr. Snow, in your opinion will the drilling of these wells as proposed by John H. Trigg have any effect on the correlative rights of the offset operators?

A No, sir, in my opinion it will not affect them.



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PHONE 243-6691

Q If they are converted to the injection of water into the reservoir in your flood program on these two sections, will it have any adverse effect on offsetting properties?

A No, sir, it would not.

Q Would you have any objection to having a hearing on future unorthodox locations in the event you desire to drill further infill wells?

A No, sir, I would not.

MR. KELLAHIN: That's all the questions I have on direct examination.

MR. NUTTER: Are there any questions of Mr. Snow?

CROSS EXAMINATION

BY MR. PORTER:

Q How long has this flood been in operation?

A Approximately four years, three to four years. I don't have the exact date.

Q That's all right.

MR. PORTER: Just one more question, Mr. Nutter.

Q You have had a response most of the time since this flood was instituted?

A That's correct.

Q You feel that the response has been good?

A In all the wells except two.



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PHONE 243-6691

Q But you feel like there is additional oil to be recovered in paying quantities by drilling these other wells?

A Yes, sir.

MR. PORTER: That's all.

BY MR. NUTTER:

Q Mr. Snow, the response and the ratio that you gave, was that secondary to primary or primary to secondary?

A Secondary to primary.

Q In other words, the average for all of the wells in Section 4, including these two wells --

A No, sir.

Q -- has been 1.8 to 1?

A Excluding these two wells.

Q Excluding these two wells?

A Yes, sir.

Q So far, in other words, they have recovered almost twice on secondary what they made on their primary?

A Yes.

Q These two wells have a ratio of 1.6 and .17 to 1?

A Yes, sir.

Q For the past few years it has been customary with the Commission in the case of unorthodox locations to not approve them when they're exactly on a 40-acre lot line?



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FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3271

ALBUQUERQUE, N. M.
PHONE 243-6691

A Yes, sir.

Q We have three locations here which have 1320-foot description; if the surface location of these wells is moved five feet so it can be attributed to a particular 40-acre tract rather than be on the line, do you have any preference as to which direction the Commission would move these lines?

A No, sir.

Q We can move them five feet in any direction then?

A Yes, sir.

MR. NUTTER: Thank you. Any further questions of Mr. Snow?

BY MR. PAYNE:

Q Do you intend to convert your Well No. 8 to an injection well if you use Well No. 39 as a producing well?

A Not at this time.

Q You think your flood will be efficient with both 39 and 8 being producing wells?

A Yes, sir.

MR. PAYNE: Thank you.

MR. NUTTER: Any further questions of Mr. Snow? He may be excused.

(Witness excused.)

MR. NUTTER: Mr. Kellahin, I understand you want



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1162

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

approval of these wells as producers with administrative provision made for conversion to water injection later?

MR. KELLAHIN: That is correct.

MR. NUTTER: Thank you. Does anyone else have anything they wish to offer in Case 2885?

MR. PAYNE: We have received a communication from Phillips Petroleum Company which states that it has no objection to the proposed application here.

MR. NUTTER: Thank you, Mr. Payne.

MR. MOTTER: Motter with Cities Service. We operate the Drickey Queen Sand Unit, as you know, and which is shown on Exhibit 1, and it surrounds this flood on three sides, the north, south and east. We have polled the non-operators concerning the drilling of these unorthodox locations and we have a large majority that wants to support this. In fact, we think the information gained may be of large benefit to the operators in this field. We don't think it will cause any drainage or have any adverse effects to our unit. We would like to point out to the Commission that our having no objection in this matter does not mean we will not object to other wells being drilled, and we do not suggest that the 20-acre spacing which this is considered to be, that there would be no objection to any other wells in the Caprock-Queen Pool.



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6191

We're a little bit leery that if these wells prove successful that we might be forced into drilling 20-acre spaced wells around the edge. This, in our opinion, takes a lot of engineering study and we would request that any other wells that are drilled on unorthodox pattern in this field be brought for hearing.

MR. NUTTER: Mr. Motter, would you concur that these wells are all interior wells as far as Mr. Trigg's lease is concerned?

MR. MOTTER: That's right, and we feel they would have no adverse effects on our property.

MR. NUTTER: And they would have no adverse effects on your property?

MR. MOTTER: That's right.

MR. NUTTER: Does anyone else have anything to offer in Case 2885? We will take the case under advisement.



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 13th day of September, 1963.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:

June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2885, heard by me on 8/21, 19 63.

[Signature], Examiner
New Mexico Oil Conservation Commission



Expedite today

DRAFT

DSN/esr
August 26, 1963

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:

OSR

CASE No. 2885

ASR

Order No. R- 2558

APPLICATION OF JOHN H. TRIGG
FOR FOUR UNORTHODOX LOCATIONS,
CHAVES COUNTY, NEW MEXICO.

[Signature]
8/27

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 21, 1963, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this day of August, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, John H. Trigg, pursuant to the authority granted by Order No. R-1456 entered by the Commission August 1, 1959, is conducting a waterflood operation on his Federal Trigg Lease in Sections 4, 5, and 9, Township 14 South, Range 31 East, NMPM, Caprock-Queen Pool, Chaves County, New Mexico.

(3) That in order to increase the efficiency of said waterflood project, the applicant, John H. Trigg, seeks authority to drill four wells at the following-described unorthodox locations in said Section 4:

Well No. 37-4, Unit B, 1320 feet from the North line
and 2475 feet from the East line;

Well No. 38-4, Unit J, 2764 feet from the North line
and 2557 feet from the East line;

Well No. 39-4, Unit A, 1320 feet from the North line
and 1315 feet from the East line;

Well No. 40-4, Unit C, 1320 feet from the North line
and 1485 feet from the West line.

(4) That the applicant proposes that said wells be utilized as producing wells in the aforesaid waterflood project, but also seeks provision for administrative approval for the conversion of said wells to water injection at a later date.

(5) That approval of the subject application will not cause waste, but may result in the recovery of oil which would otherwise remain unrecovered.

(6) That approval of the application will not impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, John H. Trigg, is hereby authorized to drill wells at the following-described unorthodox locations in Section 4, Township 14 South, Range 31 East, NMPM, Caprock-Queen Pool, Chaves County, New Mexico:

Well No. 37-4, Unit B, 1320 feet from the North line
and 2475 feet from the East line;

Well No. 38-4, Unit J, 2764 feet from the North line
and 2557 feet from the East line;

Well No. 39-4, Unit A, 1320 feet from the North line
and 1315 feet from the East line;

Well No. 40-4, Unit C, 1320 feet from the North line
and 1485 feet from the West line.

(2) That the aforesaid four wells shall be utilized as oil producing wells in the applicant's waterflood project in the Caprock-Queen Pool unless authorized for water injection after notice and hearing or by administrative approval.

(3) That to obtain administrative approval for the conversion of said wells to water injection, the applicant shall submit, in triplicate, an application in accordance with Rule 701-B of the Commission Rules and Regulations. A copy of the application shall also be sent to each operator offsetting the proposed injection well.

The Secretary-Director may authorize such conversion without notice and hearing provided that no offset operator or the State Engineer objects to the proposed conversion within 15 days. The Secretary-Director may grant immediate approval of the proposed conversion upon receipt of waivers of objection from all operators offsetting the proposed injection well and from the State Engineer.

(4) 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 herein-
above designated.