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Entered January 18, 1967
A.L.P.

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. 3507
Order No. R-3178

APPLICATION OF STANDARD OIL COMPANY
OF TEXAS FOR A WATERFLOOD EXPANSION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 4, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of January, 1967, 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, Standard Oil Company of Texas, seeks permission to expand its Maljamar-Grayburg Waterflood Project in its Maljamar-Grayburg Unit Area, Maljamar Pool, by the injection of water into the Grayburg formation through thirteen additional injection wells in Sections 2, 3, 4, 8, 9, 10, 11, 14, and 15, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico.

(3) That the applicant further seeks an administrative procedure whereby said project could be expanded to include additional lands and injection wells in the area of the said project as may be necessary in order to complete an efficient injection pattern; that said administrative procedure should provide for administrative approval for conversion to water injection in exception to the well response requirements of Rule 701 E-5 of the Commission Rules and Regulations.

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(4) That the wells in the proposed expanded project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(5) That the proposed expansion of the Maljamar-Grayburg Waterflood Project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) That the subject application should be approved and the expanded project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations; provided however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

(1) That the applicant, Standard Oil Company of Texas, is hereby authorized to expand its Maljamar-Grayburg Waterflood Project in its Maljamar-Grayburg Unit Area, Maljamar Pool, by the injection of water into the Grayburg formation through the following-described wells in Township 17 South, Range 32 East, NMPM, Lea County, New Mexico:

<u>Well</u>	<u>No.</u>	<u>Unit</u>	<u>Section</u>
Phillips Mexco State "A"	1	E	2
Standard Jackson Federal	1	A	3
Standard Atlantic Federal	2	H	4
Standard Mitchell Federal	1	P	8
Standard A. C. Taylor et al	1	J	9
Standard Iles Federal	11	N	9
Standard Iles Federal	37	F	9
Standard Iles Federal	39	L	9
Standard Iles "X" Federal	5	P	9
Standard Iles Federal	29	P	10
Standard A. C. Taylor "E"	2	L	11
Standard A. C. Taylor "C"	2	D	14
Standard Iles Federal	18	H	15

(2) That the expanded waterflood project shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

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PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve expansion of the Maljamar-Grayburg Waterflood Project to include such additional lands and injection wells in the area of said project as may be necessary to complete an efficient water injection pattern; that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

(3) That monthly progress reports of the expanded waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.


(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


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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

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