Entered September 9, 1968

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. 3841 Order No. R-3486

APPLICATION OF CONTINENTAL OIL COMPANY FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 21, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>9th</u> day of September, 1968, 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, Continental Oil Company, seeks permission to institute a pilot waterflood project in the El Mar-Delaware Pool by the injection of water into the Delaware formation through two injection wells in Section 26, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico. In the alternative, the applicant seeks to have said wells authorized for salt water disposal.

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

(4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-CASE No. 3841 Order No. R-3486

(5) That the subject waterflood project should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

## IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to institute a pilot waterflood project in the El Mar-Delaware Pool by the injection of water into the Delaware formation through the following-described wells in Section 26, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico:

> Wilder Well No. 24, located in Unit L Wilder Well No. 27, located in Unit F

(2) That the subject waterflood project is hereby designated the Continental El Mar Wilder Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That monthly progress reports of the 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 V DAVID F. CARGO Ć airman GUNTON B A. L. PORTER, Jr., Member & Secretary

SEAL

esr/