Eneral May 19, 1972 all

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. 4705 Order No. R-4306

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR WATERFLOOD PROJECTS, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 5, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 19th day of May, 1972, 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, Atlantic Richfield Company, seeks permission to institute a waterflood project in the Grayburg-Jackson Pool by the injection of water into the Grayburg formation through five wells located in Sections 19 and 30, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

(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.

(5) That the subject application should be approved and the projects 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, Atlantic Richfield Company, is hereby authorized to institute a waterflood project in the Grayburg-Jackson Pool by the injection of water into the Grayburg -2-CASE NO. 4705 Order No. R-4306

formation through the following-described five wells in Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico:

| Well Name | Well Number | Unit Letter | Section |
|--------------------------------|----------------|----------------|---------|
| Atlantic Richfield Friess MA | 1 | В | 30 |
| Atlantic Richfield Friess MA | 4 | Н | 30 |
| Atlantic Richfield Friess | | | |
| Federal | 2 | J | 19 |
| Atlantic Richfield Fren Oil Co | . 2 | N | 19 |
| Atlantic Richfield Fren Oil Co | . 13 | Р | 19 |

(2) That the subject waterflood project is hereby designated the Atlantic Grayburg-Jackson Friess-Fren 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 QIL GONSERVATION COMMISSION 1 BRUCE KING, Chairman mil

6.60 ALEX J. ARMIJO Member

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

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