

*Entered June 11, 1964
C. 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. 3061
Order No. R-2720

APPLICATION OF KEWANEE OIL
COMPANY FOR A WATERFLOOD
PROJECT, EDDY COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 27, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 3rd day of June, 1964, 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, Kewanee Oil Company, seeks authority to institute a waterflood project in the Dayton-Grayburg Pool by the injection of water into the Grayburg formation through its Williams OJI Well No. 6 located in Unit B of Section 25, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.
- (3) That the wells in the proposed project area are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (4) That the proposed waterflood project is in the interest of conservation and should result in recovery of otherwise unrecoverable oil, thereby preventing waste.

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(5) That the subject application should be approved and the project should be governed by the provisions of Rule 701 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Kewanee Oil Company, is hereby authorized to institute a waterflood project in the Dayton-Grayburg Pool by the injection of water into the Grayburg formation through its Williams OJI Well No. 6 located in Unit B of Section 25, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

(2) That the subject waterflood project shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including the allowable provisions thereof, and including the provisions with respect to expansion of the waterflood project.

(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1119 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


JACK M. CAMPBELL, Chairman


E. S. WALKER, Member


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

S E A L

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