OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

January 9, 1968

Newmont Oil Company P. O. Box 1305 Artesia, New Mexico

Gentlemen:

Enclosed herewith please find Administrative Order WFX No. 282 authorizing conversion of one well to water injection well in your West Loco Hills Grayburg No. 4 San Unit Water Flood Project in the Loco Hills Pool in Eddy County, New Mexico.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/JEK/og

cc: Oil Conservation Commission - Artesia State Engineer Office - Santa Fe APPLICATION OF NEWMONT OIL COMPANY TO EXPAND ITS WEST LOCO HILLS GRAYBURG NO. 4 SAND UNIT WATER FLOOD PROJECT IN THE LOCO HILLS POOL IN EDDY COUNTY, NEW MEXICO.

Administrative Order WFX No. 282

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION COMMISSION

Under the provisions of Order No. R-2178-C, Newmont Oil Company has made application to the Commission on January 5, 1968, for permission to expand its West Loco Hills Grayburg No. 4 Sand Unit Water Flood Project in the Loco Hills Pool, Eddy County, New Mexico.

NOW, on this 9th day of January, 1968, the Secretary-Director finds:

1. That application has been filed in due form.

2. That satisfactory information has been provided that all offset operators have been duly notified of the application.

3. That Newmont Oil Company being the offsetting operator, the waiting period as prescribed by Rule 701 may be dispensed with at this time.

4. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-2178-C.

5. That the proposed expansion of the above-referencedwater flood project will not cause waste nor impair correlative rights.

6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Newmont Oil Company, be and the same is hereby authorized to inject water into the Loco Hills Sand formation through the following-described well for purposes of secondary recovery, to wit:

Tract 1 Well No. 1 located in Unit D of Section 7, Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico.

PROVIDED HOWEVER, That the applicant shall pressure test the casing in said well as prescribed in its application dated January 4, 1968.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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A. L. PORTER, Jr. Secretary-Director