

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. 3226  
Order No. R-2900

APPLICATION OF SKELLY 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 April 7, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of May, 1965, 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, Skelly Oil Company, seeks permission to institute a waterflood project in the Grayburg-Jackson Pool in the Dow Unit Area by the injection of water into the Premier (Grayburg) and San Andres formations through six injection wells in Section 22, 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.

**IT IS THEREFORE ORDERED:**

<u>LEASE AND</u>			<u>LOCATION</u>
<u>WELL NO.</u>			<u>UNIT</u>
Lynch	"A"	4	J
Lynch	"A"	9	N
Lynch	"A"	10	L
Lynch	"A"	13	F
Lynch	"A"	15	B
Lynch	"A"	16	H

(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.

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

JACK M. CAMPBELL, Chairman

**S E A L**

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