

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
AMBASSADOR OIL CORPORATION FOR AN)
ORDER AUTHORIZING CAPACITY PRODUCTION)
FOR CERTAIN WELLS WITHIN A PILOT WATER)
FLOOD PROJECT AREA IN THE CAPROCK-)
QUEEN POOL, LEA AND CHAVES COUNTIES,)
NEW MEXICO, SUCH WELLS BEING SITUATED)
IN SECTIONS 1, 11 AND 12, TOWNSHIP 13)
SOUTH, RANGE 31 EAST, AND SECTION 6,)
TOWNSHIP 13 SOUTH, RANGE 32 EAST.)

No. 1294

APPLICATION

Comes now Applicant, Ambassador Oil Corporation, by its attorneys, and states:

1. Applicant is the owner of properties situated within the pilot water flood project area in the Queen Formation of the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico, which pilot water flood project was approved by Commission Order No. R-1053 dated September 16, 1957. A plat showing the area of the pilot project is attached hereto and marked "Exhibit 1".

2. The said pilot water flood project has caused an increase in the producing capacity of certain of the wells in the pilot area to the extent that they are now capable of producing in excess of the top unit allowable of the Caprock-Queen Pool.

3. That waste will occur if production from wells in the pilot flood area is restricted.

WHEREFORE, Applicant prays for the following relief:

1. That an immediate emergency order be issued permitting the Applicant to produce the following described wells in the pilot water flood project at capacity:

			<u>S</u>	<u>T</u>	<u>R</u>
Ambassador Oil Corporation	State "H" #1	SWSE	1	13	31
Ambassador Oil Corporation	State "D" #1	NESW	1	13	31
Ambassador Oil Corporation	State "L" #1	SWSW	1	13	31
Ambassador Oil Corporation	State "G" #1	NENE	11	13	31
Ambassador Oil Corporation	State "M" #2	SWNW	12	13	31
Ambassador Oil Corporation	State "J" #1	NENE	12	13	31

			<u>S</u>	<u>T</u>	<u>R</u>
Graridge Corporation	Malco State "F" #3	NESE	1	13	31
Graridge Corporation	Malco State "E" #1	SWNE	1	13	31
Graridge Corporation	Livermore State "J" #3	SWSW	6	13	32
Great Western Drilling Co.	State "L" #2	NESW	12	13	31
Great Western Drilling Co.	Maxwell St. #1	SWNE	12	13	31
Gulf Oil Corporation	Chaves State "A" #1	NENW	12	13	31

2. That the Commission set this matter down for regular hearing on a date prior to the expiration of any emergency order and that notice for such hearing be published as by law required and that after hearing, the Commission issue its regular order permitting the relief requested in Paragraph 1 of this prayer.

DONE AT ROSWELL, New Mexico this 21st day of April, 1958.

Respectfully submitted,

CAMPBELL & RUSSELL
 Box 721
 Roswell, New Mexico

By: Jack M. Campbell
 Attorneys for Applicant
 Ambassador Oil Corporation

Case 1294

LAW OFFICES OF
CAMPBELL & RUSSELL
J. P. WHITE BUILDING
ROSWELL, NEW MEXICO

13 June 1958

JACK M. CAMPBELL
JOHN F. RUSSELL

TELEPHONES
MAIN 2-4641
MAIN 2-4642

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

Enclosed please find original and two copies of Application of Ambassador Oil Corporation for an Order amending Order No. R-1053 approving the entire project pattern of the water flood project authorized thereby in the Caprock-Queen Pool in Lea and Chaves Counties, New Mexico, and for the establishing of administrative procedures for activation of injection wells.

Very truly yours,

CAMPBELL & RUSSELL


Jack M. Campbell

JMC:bb
Enclosures

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IN THE MATTER OF THE APPLICATION OF)
AMBASSADOR OIL CORPORATION FOR AN)
ORDER AMENDING ORDER NO. R-1053 AP-)
PROVING THE ENTIRE PROJECT PATTERN)
OF THE WATER FLOOD PROJECT AUTHORIZED)
THEREBY IN THE CAPROCK-QUEEN POOL IN)
LEA AND CHAVES COUNTIES, NEW MEXICO,)
AND FOR THE ESTABLISHING OF ADMINIS-)
TRATIVE PROCEDURES FOR ACTIVATION OF)
INJECTION WELLS.)

Case No. 1294

APPLICATION

Comes now Applicant, Ambassador Oil Corporation, by its attorneys, and states:

1. Applicant is the owner of certain properties situated within, and, under the terms of the North Caprock-Queen Unit No. Two Agreement, is the designated operator of a secondary recovery unit area encompassing a water flood project area of the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico, which pilot water flood project was approved on September 16, 1957 by Commission Order No. R-1053. A plat showing the area of the North Caprock-Queen Unit No. Two is attached hereto and marked "Exhibit 1".

2. Applicant has shown on "Exhibit 1" attached hereto, all present injection wells, proposed injection wells, present producing wells, and all water supply wells within the unit area.

3. Applicant requests the Commission to issue its order, after hearing, ^{development} approving the pattern of the entire water flood project within the North Caprock-Queen Unit No. Two unit area as indicated on "Exhibit 1".

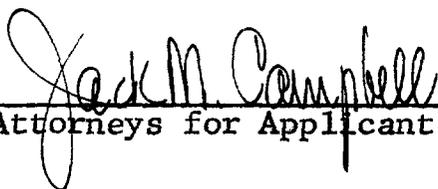
4. Applicant requests the Commission in its order approving the overall project, including the injection pattern, to provide that the operator may, upon furnishing such evidence as the Commission may require, obtain administrative approval for the activation of injection wells as determined necessary by daily engineering evaluation of overall performance data within the unit area.

5. Applicant states that such administrative action is necessary in order to obtain efficient operation of the water flood project without waste and to prevent reduction in the ultimate recovery of oil.

WHEREFORE, Applicant requests the Commission to set this matter down for regular hearing before an Examiner and that after hearing, the Commission issue its order approving the overall water injection pattern within the entire unit area as requested, and establish administrative procedures for the activation of water injection wells without the necessity of emergency orders or hearings.

Respectfully submitted,

CAMPBELL & RUSSELL

By: 
Attorneys for Applicant

DATED: June 13, 1958