DEVERNOR JACK M. CAMPBELL UHAIRMAN

State of New Mexico

Bil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



RTATE GEOLOGIST A. L. PORTER, JR. SECRETARY - DIRECTOR

March 4, 1964

Mr. John Russell Attorney at Law P. O. Drawer 640 Poswell, New Mexico
 Re:
 Case No.
 2978

 Order No.
 R-2660

Applicant:

Union Oil Company of California

Dear Sire

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

Carbon copy of order also sent to:

Hobbs OCC ____X

Artesia OCC __X

Astec OCC ____

Mr. Frank Irby

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. 2978 Order No. R-2660

APPLICATION OF UNION OIL COMPANY OF CALIFORNIA FOR A WATERFLOOD EXPANSION, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 5, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 4th day of March, 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, Union Oil Company of California, is the operator of the South Caprock Queen Unit Waterflood Project in the Caprock-Queen Pool; that the applicant seeks authority to expand said waterflood project by converting to water injection nine additional wells located in Sections 28, 29, and 33, Township 14 South, Range 31 East, and Sections 3 and 4, Township 15 South, Range 31 East, NMPM, Chaves County, New Mexico.
- (3) That the applicant proposes to enter into line well agreements with offset operators to the north and to the east of the South Caprock Queen Unit Area.
- (4) That said line well agreements are in the interest of conservation and should result in the protection of correlative rights.
- (5) That approval of the subject application should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-CASE No. 2978 Order No. R-2660

IT IS THEREFORE ORDERED:

(1) That the applicant, Union Oil Company of California, is hereby authorized to expand its South Caprock Queen Unit Water-flood Project, Caprock-Queen Pool, Chaves County, New Mexico, by the conversion to water injection of the following-described wells:

TOWNSHIP 14 SOUTH, RANGE 31 EAST, NMPM

Tract	54	Well	No.	9-28	Unit I,	Section	28
Tract	4	Well	No.	4-28	Unit D	Section	28
Tract	7-B	Well	No.	2-29	Unit B	Section	29
Tract	55-B	Well	No.	10-29	Unit J	Section	29
Tract	55-A	Well	No.	16-29	Unit P	Section	29
Tract	7-A	Well	No.	1-33	Unit A	Section	33
Tract	7-A	Well	No.	9- 33	Unit I.	Section	33

TOWNSHIP 15 SOUTH, RANGE 31 EAST, NMPM

Tract 3-A Well No. 3-3 Unit C, Section 3 Tract 27 Well No. 1-4 Unit A, Section 4

(2) 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

TACK M. CAMPBELL Chairman

E. S. WALKER, Member

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

esr/