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. 4391 Order No. R-4009

APPLICATION OF MURPHY H. BAXTER FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 5, 1970, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 12th day of August, 1970, 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, Murphy H. Baxter, seeks authority to institute a waterflood project in the North EK Queen Unit Area, E-K Yates-Seven Rivers-Queen Pool, by the injection of water into the Queen formation through four injection wells in Units A, D, F, and G of Section 7, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) That the applicant further seeks an administrative procedure whereby said project could be expanded to include additional lands and injection wells in the area of the said project as may be necessary in order to complete an efficient injection pattern; that said administrative procedure should provide for administrative approval for conversion to water injection in exception to the well response requirements of Rule 701 E-5 of the Commission Rules and Regulations. -2-CASE No. 4391 Order No. R-4009

(4) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(5) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations; provided, however, that the showing of well response as required by Rule 701 E-5 should not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

(1) That the applicant, Murphy H. Baxter, is hereby authorized to institute a waterflood project in the North EK Queen Unit Area, E-K Yates-Seven Rivers-Queen Pool, by the injection of water into the Queen formation through the following-described wells in Section 7, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico:

> Murphy H. Baxter State "M" Well No. 2 - Unit F Murphy H. Baxter State "M" Well No. 3 - Unit D Murphy H. Baxter State "CL" Well No. 6 - Unit A Murphy H. Baxter State "CL" Well No. 7 - Unit G

(2) That the subject waterflood project is hereby designated the North EK Unit Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

<u>PROVIDED HOWEVER</u>, that the Secretary-Director of the Commission may approve expansion of the North EK Unit Waterflood Project to include such additional lands and injection wells in the area of said project as may be necessary to complete an efficient water injection pattern; that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection. -3-CASE No. 4391 Order No. R-4009

(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.

(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

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

SEAL

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. 5491 Order No. R-4009-A

APPLICATION OF MURPHY H. BAXTER FOR AN UNORTHODOX OIL WELL LOCATION AND AN ADMINISTRATIVE PROCEDURE, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 10, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>17th</u> day of June, 1975, 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, Murphy H. Baxter, is the operator of the North EK Queen Unit Waterflood Project, EK Yates-Seven Rivers-Queen Pool, Lea County, New Mexico, which was approved by Commission Order No. R-4009, dated August 12, 1970.

(3) That to provide for a more efficient production pattern in said unit, applicant seeks approval for an unorthodox oil well location for a well to be drilled 1980 feet from the North line and 1460 feet from the East line of Section 1, Township 18 South, Range 33 East, NMPM, in said Unit.

(4) That the applicant further seeks the establishment of an administrative procedure whereby additional injection and producing wells may be drilled in said Unit at orthodox and unorthodox locations.

(5) That in order to permit the applicant the flexibility needed to complete an efficient injection and producing pattern in said project, thereby increasing ultimate recovery and preventing waste, the subject application should be approved. -2-Case No. 5491 Order No. R-4009-A

IT IS THEREFORE ORDERED:

(1) That the applicant, Murphy H. Baxter, is hereby authorized to drill a producing well at an unorthodox oil well location 1980 feet from the North line and 1460 feet from the East line of Section 1, Township 18 South, Range 33 East, NMPM, EK Yates-Seven Rivers-Queen Pool, Lea County, New Mexico.

(2) The Secretary-Director of the Commission is hereby authorized to approve additional producing wells and injection wells at orthodox and unorthodox locations within the boundaries of the North EK Unit Area as may be necessary to complete an efficient production and injection pattern, provided said wells are drilled no closer than 330 feet to the outer boundary of said unit nor closer than 10 feet to any quarter-quarter section of subdivision inner boundary. To obtain such approval, the project operator shall file proper application with the Commission, which application, if it seeks authorization to convert additional wells to injection or to drill additional production or injection wells shall include the following:

- (a) A plat showing the location of proposed well, all wells within the project area, and offset operators, locating wells which offset the project area.
- (b) A schematic drawing of any proposed injection well which fully describes the casing, tubing, packer, leak detection equipment, perforated interval, and depth.
- (c) A letter stating that all offset operators to the proposed well have been furnished a complete copy of the application and the date of notification.

The Secretary-Director may approve the proposed well if, within 20 days after receiving the application, no objection to the proposal is received. The Secretary-Director may grant immediate approval, provided waivers of objection are received from all offset operators.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary. -3-Case No. 5491 Order No. R-4009-A

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION I < R. TRUJILLO, Chairman Rucer PHIL R. LUCERO, Member Ŀ JOE D. RAMEY, Member & Secretary

SEAL

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