

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. 3148
Order No. R-2828

APPLICATION OF NEWMONT OIL COMPANY
FOR A WATERFLOOD BUFFER ZONE, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 25, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Mutter.

NOW, on this 7th day of December, 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, Newmont Oil Company, seeks establishment of the NW/4 SE/4 of Section 28, the W/2 SW/4 of Section 33, and the SE/4 NW/4 and SE/4 NE/4 of Section 34, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico, as a buffer zone adjacent to a capacity-type waterflood project.

(3) That the above-described acreage is adjacent to the Square Lake Waterflood Project which is a capacity-type waterflood project.

(4) That approval of the proposed buffer zone will afford the applicant an opportunity to produce its just and equitable share of the oil in the pool and will otherwise prevent waste and protect correlative rights.

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(5) That the subject application should be approved and that the buffer zone should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations; provided however, that capacity allowables should be assigned to the wells in the buffer zone.

IT IS THEREFORE ORDERED:

(1) That the NW/4 SE/4 of Section 28, the W/2 SW/4 of Section 33, and the SE/4 NW/4 and SE/4 NE/4 of Section 34, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico, is hereby designated a waterflood buffer zone wherein water can be injected and wells produced at rates comparable to the Newmont Oil Company Square Lake Waterflood Project.

(2) That said buffer zone shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations; provided however, that capacity allowables shall be assigned to the wells in said buffer zone.

(3) That monthly progress reports concerning the buffer zone herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1119 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.

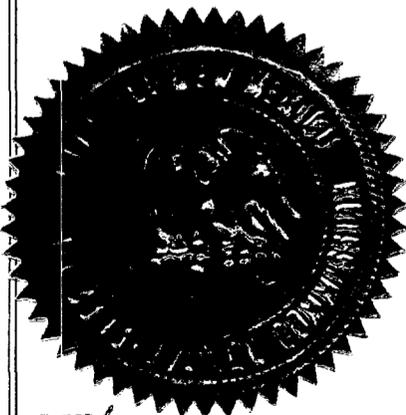
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


E. S. WALKER, Member


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



esr/