

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. 3464
Order No. R-3131

APPLICATION OF CONTINENTAL OIL COMPANY
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 September 28, 1966, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of October, 1966, 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, Continental Oil Company, seeks permission to institute a waterflood project in the Reed-Sanderson Unit Area, Eumont Pool, by the injection of water into the Queen formation through thirteen injection wells in Sections 3, 4, 9, and 10, Township 20 South, Range 36 East, NMPM, Lea 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.

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(5) That the applicant further seeks the establishment of an administrative procedure whereby additional wells could be placed on water injection and additional leases could be included in the waterflood project area.

(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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to institute a waterflood project in the Reed-Sanderson Unit Area, Eumont Pool, by the injection of water into the Queen formation through the following-described wells in Township 20 South, Range 36 East, NMPM, Lea County, New Mexico:

Reed A-3 Well No. 7, located 660 feet from the North line and 1980 feet from the West line of Section 3

Reed A-3 Well No. 9, located 1980 feet from the North line and 660 feet from the West line of Section 3

Reed A-3 Well No. 10, located 1980 feet from the South line and 1980 feet from the West line of Section 3

Reed A-3 Well No. 13, located 660 feet from the South line and 660 feet from the West line of Section 3

Reed A-3 Well No. 14, located 660 feet from the South line and 2310 feet from the East line of Section 3

Reed A-3 Well No. 16, to be drilled 1980 feet from the North line and 1980 feet from the East line of Section 3

Jim Hewes Well No. 2, located 1980 feet from the South line and 660 feet from the East line of Section 4

Leonard Well No. 3, located 1980 feet from the North line and 660 feet from the West line of Section 10

Argo Leonard Well No. 1, located 2310 feet from the South line and 2310 feet from the West line of Section 10

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Sanderson B-1 Well No. 6, located 660 feet from the North line and 1990 feet from the West line of Section 10

Sanderson B-4 Well No. 1, located 660 feet from the North line and 660 feet from the East line of Section 4

Sanderson B-9 Well No. 1, located 660 feet from the North line and 660 feet from the East line of Section 9

Etcheverry Well No. 1, located 2310 feet from the North line and 1650 feet from the East line of Section 10

(2) That the subject waterflood project is hereby designated the Reed-Sanderson Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations; provided, however, that the Secretary-Director of the Commission may approve expansion of said waterflood project to include additional injection wells and leases as may be necessary to complete an efficient waterflood injection pattern in the Reed-Sanderson Unit Area.

(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

Jack M. Campbell
JACK M. CAMPBELL, Chairman

Guyton B. Hays
GUYTON B. HAYS, Member

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