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. 5454 Order No. R-5007

APPLICATION OF BURK ROYALTY CO. FOR A WATERFLOOD PROJECT, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 16, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of May, 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, Burk Royalty Co., seeks authority to institute a waterflood project in the Double L Queen Unit Area, Double L Queen Pool, by the injection of water into the Queen formation through 17 injection wells in Sections 23, 24, 25, and 36, Township 14 South, Range 29 East; Section 31, Township 14 South, Range 30 East; Sections 1 and 12, Township 15 South, Range 29 East, and Sections 6, 7, and 18, Township 15 South, Range 30 East, NMPM, Chaves 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.
- (5) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

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(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, Burk Royalty Co., is hereby authorized to institute a waterflood project in the Double L Queen Unit Area, Double L Queen Pool, by the injection of water into the Queen formation through the following-described wells in Chaves County, New Mexico:

TOWNSHIP	14	SOUTH,	RANGE	29	EAST,	NMPM

	TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM								
Company	Lease	Well No	. Unit	Section					
Amoco McClellan Amoco Dalport	Falgout "A" Feder Sun State State EK Spurck State	1 4 9	P M E J	23 24 25 25					
Amoco Dalport Dalport Dalport	State EK Spurck State Spurck State Spurck State	1 6 4 5	N B G J	25 36 36 36					
TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM									
Company	Lease	Well No.	Unit	Section					
Dalport McClellan	Amco Federal Elyse Federal	2 2	E J	31 31					
	TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM								
Company	Lease	Well No.	Unit	Section					
Dalport Dalport	Rob State Sunset State	1	H H	1 12					
	TOWNSHIP 15 SOUTH, RANG	E 30 EAST,	NMPM						
Company	Lease	Well Mo.	Unit	Section					
Amoco Amoco McClellan McClellan McClellan	Lusk "A" Lusk "A" Marion Federal Mary Jane Lisa "B" Federal	3 2 1. 2 9	A G C M F	6 6 7 7 18					

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- (2) That injection into each of said wells shall be through internally coated tubing, set in a packer which shall be located as near as practicable to the uppermost perforation; that the casing-tubing annulus of each injection well shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention-attracting leak detection device.
- (3) That the operator shall immediately notify the supervisor of the Commission's Artesia district office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from around any producing well, or the leakage of water or oil from any plugged and abandoned well within the project area and shall take such timely steps as may be necessary or required to correct such failure or leakage.
- (4) That the subject waterflood project is hereby designated the Double L Queen Unit Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.
- (5) 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.
- (6) 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

I. R. TRUJILLO, Chairman

DUTT D. TUCEDO Member

. L. PORTER, Jr., Member & Secretary

SEAL

jr/