

Entered October 3, 1957  
A.H.P.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 1300  
Order No. R-1058

APPLICATION OF GENERAL AMERICAN OIL  
COMPANY OF TEXAS FOR PERMISSION TO  
INSTITUTE A PILOT WATER FLOOD PROJECT  
IN THE GRAYBURG-JACKSON POOL IN EDDY  
COUNTY, NEW MEXICO AND FOR THE ESTABLISH-  
MENT OF AN ALLOWABLE FORMULA FOR ALL WELLS  
INVOLVED IN SAID PROJECT.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 1 o'clock p.m. on August 28, 1957, at Hobbs, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 30<sup>th</sup> day of September, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, General American Oil Company of Texas, proposes to institute a pilot water flood project in the Grayburg Jackson Pool in Eddy County, New Mexico, in a pilot area consisting of the S/2 SW/4 and SW/4 SE/4 of Section 18, and the N/2 and N/2 S/2 of Section 19, all in Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico, with input volumes limited to 400 barrels of water per day into each injection well.

(3) That the applicant further requests that an allowable formula be established for the wells in the above-described pilot area.

(4) That the said pilot area comprises a portion of one of the unitized tracts in the Grayburg Cooperative and Unit Area established by Order 802 dated November 19, 1948, and identified therein as the Grayburg Oil Company of New Mexico Unit G-1.



(5) That the allowable formula established by Order 802 for the units created thereby provides that the "Applicants are hereby authorized to produce from each unitized tract, hereinabove described, the total allowable production, as fixed by the Commission for the total number of developed 40-acre proration units comprising such unitized tract...", provided however, "that no well located upon any unitized tract shall be permitted to produce at a rate in excess of the top allowable as fixed by the Commission."

(6) That the total allowable for Unit G-1 should continue to be calculated and assigned in accordance with the above quoted provisions of Order 802 but that all producing wells in the above-described pilot area should be excepted from that portion of the order which prohibits the production of said wells at a rate in excess of the top allowable as fixed by the Commission.

(7) That the proposed pilot water flood project will not adversely affect the interests of any other operator in the Grayburg Jackson Pool.

(8) That the proposed pilot water flood project will promote conservation and will tend to prevent waste through the production of oil which might not otherwise be recovered.

(9) That periodic reports should be submitted to the Commission by the applicant disclosing the progress of the secondary recovery program.

IT IS THEREFORE ORDERED:

(1) That the applicant, General American Oil Company of Texas, be and the same hereby is authorized to initiate a pilot water flood project in the Grayburg Jackson Pool on the S/2 SW/4 and SW/4 SE/4 of Section 18, and the N/2 and N/2 S/2 of Section 19, all in Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico.

(2) That the following wells be and the same are hereby authorized as water injection wells for the above-described pilot water flood project:

|           |    |           |    |    |    |  | <u>Sec.</u> | <u>Twp.</u> | <u>Rge.</u> |
|-----------|----|-----------|----|----|----|--|-------------|-------------|-------------|
| Burch "A" | 14 | SW/4 SE/4 | 18 | 17 | 30 |  |             |             |             |
| Burch "   | 8  | NE/4 NW/4 | 19 | 17 | 30 |  |             |             |             |
| Burch "   | 9  | NW/4 NW/4 | "  | "  | "  |  |             |             |             |
| Burch "   | 23 | SW/4 NW/4 | "  | "  | "  |  |             |             |             |
| Burch "   | 24 | SW/4 NE/4 | "  | "  | "  |  |             |             |             |

all in Eddy County, New Mexico.

Provided however, that the input volume shall not exceed 400 barrels of water per day into each injection well.

(3) That the total allowable for the Grayburg Oil Company of New Mexico Unit G-1 established by Order 802 dated November 19, 1948, shall continue to be calculated and assigned in accordance



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with the provisions of said Order 802, provided however, that all producing wells in the above-described pilot water flood area are hereby excepted from that portion of Order 802 which provides "that no well located upon any unitized tract shall be permitted to produce at a rate in excess of the top allowable as fixed by the Commission."

(4) That monthly progress reports on the pilot water flood project shall be submitted to the Commission in accordance with Rule 704 and Rule 1119 of the Commission Rules and Regulations.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



MURRAY E. MORGAN, Member



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

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