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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. 1714
Order No. R-1456

APPLICATION OF JOHN H. TRIGG
FOR AN ORDER AUTHORIZING A PILOT
WATER FLOOD PROJECT IN THE
CAPROCK-QUEEN POOL, LEA AND
CHAVES COUNTIES, NEW MEXICO, AND
FOR THE ESTABLISHMENT OF AN
ADMINISTRATIVE PROCEDURE FOR
EXPANDING SAID PROJECT AND FOR
GRANTING CAPACITY ALLOWABLES TO
WELLS IN SAID PROJECT

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a.m. on July 8, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 1st day of August, 1959, 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, John H. Trigg, proposes to institute a water flood project in the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico, with a project area consisting of the following-described acreage:

TOWNSHIP 14 SOUTH, RANGE 31 EAST

Section 4: All

Section 9: All

Section 5: E/2 NE/4, NE/4 SE/4

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TOWNSHIP 13 SOUTH, RANGE 31 EAST
Section 34: SE/4

(3) That the above-mentioned acreage in Section 34, not being contiguous to the portion of the project area in Sections 4, 5, and 9, should not be included in the project at this time.

(4) That initially the applicant proposes to inject water into the Queen formation in said Caprock-Queen Pool through the following-described wells in Township 14 South, Range 31 East:

Well No. 34-5, NE/4 SE/4 of Section 5
Well No. 35-5, SE/4 NE/4 of Section 5
Well No. 36-5, NE/4 NE/4 of Section 5
Well No. 29-4, SW/4 SW/4 of Section 4

(5) That the applicant seeks capacity allowables for the following-described wells in said project:

Well No. 21-4, SE/4 SW/4 of Section 4
Well No. 22-4, NE/4 SW/4 of Section 4
Well No. 30-4, NW/4 SW/4 of Section 4
Well No. 31-4, SW/4 NW/4 of Section 4
Well No. 32-4, NW/4 NW/4 of Section 4
Well No. 20-9, NE/4 NW/4 of Section 9
Well No. 28-9, NW/4 NW/4 of Section 9

all in Township 14 South, Range 31 East.

(6) That there is no necessity for granting capacity allowables to any wells in said project at this time, but an administrative procedure should be established whereby capacity allowables may be granted to wells in said project without notice and hearing when such wells have received a response to water injection enabling them to produce in excess of top unit allowable for the Caprock-Queen Pool.

(7) That, as requested by applicant, an administrative procedure should be established whereby approval may be granted for conversion of additional wells within said project to water injection when it is established to the satisfaction of the Secretary-Director that the proposed injection well has experienced a substantial response to water injection or is directly offset by a producing well which has experienced such response.

IT IS THEREFORE ORDERED:

(1) That John H. Trigg be and the same is hereby authorized to institute a water flood project in the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico, with the project area to consist of the following-described acreage:

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TOWNSHIP 14 SOUTH, RANGE 31 EAST

Section 4: All

Section 9: All

Section 5: E/2 NE/4, NE/4 SE/4

(2) That the applicant be and the same is hereby authorized to immediately convert for the purpose of water injection into the Queen formation in the Caprock-Queen Pool, the following-described wells:

Well No. 34-5, NE/4 SE/4 of Section 5

Well No. 35-5, SE/4 NE/4 of Section 5

Well No. 36-5, NE/4 NE/4 of Section 5

Well No. 29-4, SW/4 SW/4 of Section 4

all in Township 14 South, Range 31 East, NMPM, Chaves County, New Mexico.

(3) That an administrative procedure for the conversion of additional wells in said project to water injection without notice and hearing be and the same is hereby established.

PROVIDED HOWEVER, That in order for a well in said project to be eligible for administrative approval for conversion to water injection, it must be established to the satisfaction of the Secretary-Director of the Commission that the proposed water injection well has experienced a substantial response to water injection or is directly offset by a producing well which has experienced such response, and that the proposed injection well is located on a water injection pattern which will result in a thorough and efficient sweep of oil by the water flood.

PROVIDED FURTHER, That to obtain administrative approval for the conversion of any well to water injection, applicant shall submit to the Commission in triplicate a request for such administrative approval, setting forth therein all the facts pertinent to the need for conversion of additional wells to water injection, and attaching thereto Commission Form C-116, showing production tests of the affected well or wells both before and after stimulation by water flood. Applicant shall also attach plats of the water flood project area and immediate surrounding area, indicating thereon the owner of each lease and the location of all water injection wells and producing wells, and shall submit evidence that a copy of the application to convert additional wells to water injection has been sent to each operator offsetting the proposed injection well and to the State Engineer.

The Secretary-Director may, if in his opinion there is need for conversion of additional wells to water injection, authorize such conversion without notice and hearing, provided that no offset

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operator nor the State Engineer objects to the proposed conversion within fifteen (15) days. The Secretary-Director may grant immediate approval of the proposed conversion upon receipt of waivers of objection from all operators offsetting the proposed injection well and from the State Engineer.

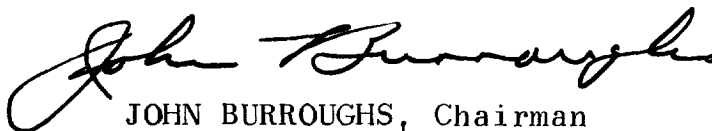
(4) That the Proration Manager of the Commission be and the same is hereby authorized to assign an allowable equal to the well's ability to produce for any well in the project area; provided, however, that no well shall receive an allowable greater than the top unit allowable for the Caprock-Queen Pool unless the ability of said well to produce in excess of such top unit allowable is based upon a response from water injection. In order to obtain such capacity allowables, the operator shall file Form C-116 showing the producing capacity of the wells for which such request is made.

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

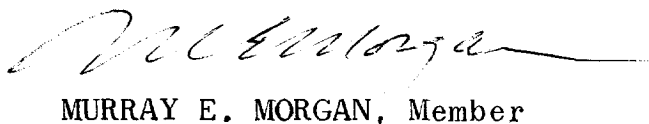
(6) That jurisdiction of this cause is hereby retained by the Commission and the case may be reopened at any time to permit the operator to show cause why wells which produce with a high capacity and with a high gas-oil ratio should not be curtailed, or to show cause why a formula should not be instituted which would allow credit for water injected to be applied against excess gas production from high gas-oil ratio wells.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman

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MURRAY E. MORGAN, Member


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

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