Entered Deptember 8, 1959

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. <u>1728</u> Order No. <u>R-1473</u>

APPLICATION OF HANSON, WATERS, AND WILLIAMSON FOR AN ORDER AUTHORIZING A PILOT WATER FLOOD PROJECT IN THE COYOTE-QUEEN POOL, CHAVES COUNTY, NEW MEXICO, FOR CAPACITY ALLOWABLES FOR 12 WELLS IN SAID PROJECT, 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 o'clock a.m. on July 28, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, 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 <u>lst</u> day of September, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 therof.
- (2) That the applicants, Hanson, Waters, and Williamson, propose to institute a pilot water flood project in the Coyote-Queen Pool, Chaves County, New Mexico, by the injection of water into the Queen formation through six wells to be located in Sections 15 and 16, Township 11 South, Range 27 East.

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- (3) That the applicants seek capacity allowables for twelve wells in said project.
- (4) That the applicants further seek the establishment of an administrative procedure whereby approval may be granted for conversion of additional wells within said project to water injection and whereby capacity allowables may be granted to wells in said project.
- (5) That of the proposed producing wells which have been potentialed, all were reported as being capable of producing in excess of top unit allowable for the Coyote-Queen Pool.
- (6) That the applicants presented no evidence to show that they have an adequate source of water for the proposed project.
- (7) That in view of Findings 5 and 6, the application must be considered premature and should, therefore, be denied.

IT IS THEREFORE ORDERED:

That the application of Hanson, Waters, and Williamson for authorization to institute a pilot water flood project in the Coyote-Queen Pool, Chaves County, New Mexico, be and the same is hereby denied.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

SEAL

MURRAY E. MORGAN, Member

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

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