

*Entered October 2, 1959
O.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 NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 1762
Order No. R-1505

APPLICATION OF NEWMONT OIL COMPANY
FOR AN UNORTHODOX WATER INJECTION
WELL LOCATION IN SECTION 32, TOWN-
SHIP 16 SOUTH, RANGE 31 EAST, SQUARE
LAKE POOL, EDDY COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 30, 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 19th day of October, 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 by authority of Commission Order Nos. 1110 and 1110-A, Ambassador Oil Corporation was permitted to institute a pilot water flood in the Square Lake Pool, Eddy County, New Mexico

(3) That the applicant, Newmont Oil Company, is the successor in interest to Ambassador Oil Corporation in the operation of the above-described pilot water flood.

(4) That the applicant seeks an order authorizing it to reopen and utilize for water injection the State "R" Well No. 2 located at an unorthodox location 1620 feet from the North line and 1020 feet from the West line of Section 32, Township 16 South, Range 31 East, NMPM, Square Lake Pool, Eddy County, New Mexico.

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(5) That the proposed unorthodox location for the above-described water injection well should be approved.

(6) That the applicant should not be permitted to utilize the subject well for water injection until it is established to the satisfaction of the Secretary-Director that the said 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 the applicant be and the same is hereby authorized to recomplete as a water injection well in the Square Lake Pool the State "R" Well No. 2 located on an unorthodox location at a point 1620 feet from the North line and 1020 feet from the West line of Section 32, Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico.

(2) That an administrative procedure be and the same is hereby established whereby the utilization of the subject well for water injection may be authorized without notice and hearing.

PROVIDED HOWEVER, That in order for the subject well 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 said injection well has experienced a substantial response to water injection or is directly offset by a producing well which has experienced such response.

PROVIDED FURTHER, That to obtain administrative approval for the conversion of said 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 the well to water injection, and attaching thereto Commission form C-116, showing production tests of the affected well 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 said well to water injection has been sent to each operator offsetting the proposed injection well, and to the State Engineer.

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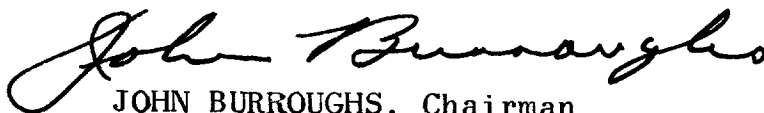
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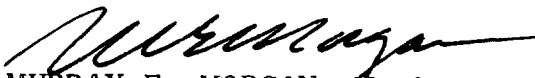
The Secretary-Director may, if in his opinion there is a need for conversion of the subject well to water injection, authorize such conversion without notice and hearing, provided that no offset operator nor the State Engineer objects to the proposed conversion within fifteen (15) days. The Secretary-Director may grant immediate approval of the proposed conversion upon receipt of waivers of objection from all operators offsetting the subject injection well and from the State Engineer.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN BURROUGHS, Chairman



MURRAY E. MORGAN, Member



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

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