

*Entered November 10, 1959*  
*Q.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. 1798  
Order No. R-1541

APPLICATION OF GREAT WESTERN  
DRILLING COMPANY FOR APPROVAL  
OF A UNIT AGREEMENT AND FOR AN  
ORDER AUTHORIZING A WATER FLOOD  
PROJECT IN THE CAPROCK-QUEEN  
POOL, LEA AND CHAVES COUNTIES,  
NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 28, 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 30th day of November, 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 seeks approval of its proposed Rock Queen Unit Agreement with the unit area comprising some 4940 acres, more or less, in Township 13 South, Ranges 31 and 32 East, Lea and Chaves Counties, New Mexico.

(3) That approval of the Rock Queen Unit Agreement will in principle tend to promote the conservation of oil and gas and the prevention of waste.

(4) That the applicant further proposes to institute a water flood project in the Caprock-Queen Pool on said Rock Queen Unit by the injection of water into the Queen formation through the following-described wells:

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State Well No. 7, NW/4 SW/4 of Section 22

State Well No. 6, SE/4 SW/4 of Section 22

State Well No. 1, NW/4 SE/4 of Section 22

Werner State Well No. 1, SE/4 SE/4 of  
Section 22

Las Cruces "A" Well No. 2, SE/4 NW/4 of  
Section 27

Malco Federal Well No. 3, NW/4 NE/4 of  
Section 27

all in Township 13 South, Range 31 East, NMPM, Chaves County, New Mexico.

(5) That the proposed water flood project should be authorized and the operation thereof should be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables and expansion of the project area.

IT IS THEREFORE ORDERED:

(1) That Great Western Drilling Company be and the same is hereby authorized to institute the Rock Queen Water Flood Project in the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico, by the injection of water into the Queen formation through the following-described wells:

State Well No. 7, NW/4 SW/4 of Section 22

State Well No. 6, SE/4 SW/4 of Section 22

State Well No. 1, NW/4 SE/4 of Section 22

Werner State Well No. 1, SE/4 SE/4 of  
Section 22

Las Cruces "A" Well No. 2, SE/4 NW/4 of  
Section 27

Malco Federal Well No. 3, NW/4 NE/4 of  
Section 27

all in Township 13 South, Range 31 East, NMPM, Chaves County, New Mexico.

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(2) That the operation of the water flood project herein authorized shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables and expansion of the project area.

(3) 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.

(4) (a) That the unit agreement herein referred to shall be known as the Rock Queen Unit Agreement.

(b) That the plan by which the unit area shall be operated shall be embraced in the form of a unit agreement for the development and operation of the Rock Queen Unit Area and such plan shall be known as the Rock Queen Unit Agreement Plan.

(5) That the Rock Queen Unit Agreement Plan shall be, and hereby is, approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing in any manner any right, duties, or obligations which are now, or may hereafter be, vested in the New Mexico Oil Conservation Commission by law relative to the supervision and control of operations for exploration and development of any lands committed to said Rock Queen Unit Agreement, or relative to the production of oil and gas therefrom.

(6) (a) That the unit area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 13 SOUTH, RANGE 31 EAST

Section 22: NW/4 SW/4, E/2 SW/4 and E/2  
Section 23: N/2 NW/4, NW/4 NE/4, S/2 N/2 and S/2  
Section 24: N/2 SW/4, NW/4 SE/4 and S/2 S/2  
Section 25: All  
Section 26: All  
Section 27: E/2 NW/4 and E/2  
Section 34: NE/4 and S/2 NW/4  
Section 35: N/2 NW/4  
Section 36: All

TOWNSHIP 13 SOUTH, RANGE 32 EAST

Section 19: SW/4 NE/4, NE/4 SW/4, S/2 SW/4 and SE/4  
Section 30: N/2, N/2 S/2, S/2 SW/4 and SW/4 SE/4  
Section 31: NW/4 NW/4

containing 4940 acres more or less.

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(b) The unit area may be enlarged or contracted as provided in said Plan; provided, however, that administrative approval for expansion of the unit area must also be obtained from the Secretary-Director of the Oil Conservation Commission.

(7) That the unit operator shall file with the Commission an executed original or executed counterpart of the Rock Queen Unit Agreement within 30 days after the effective date thereof.

(8) That any party owning rights in the unitized substances who does not commit such rights to said unit agreement before the effective date thereof may thereafter become a party thereto by subscribing to such agreement or counterpart thereof, or by ratifying the same. The unit operator shall file with the Commission within 30 days an original of any such counterpart or ratification.

(9) That this order shall become effective upon the approval of said unit agreement by the Director of the United States Geological Survey and the Commissioner of Public Lands for the State of New Mexico and shall terminate ipso facto upon the termination of said unit agreement. The last unit operator shall immediately notify the Commission in writing of such termination.


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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JOHN BURROUGHS, Chairman

S E A L

  
MURRAY E. MORGAN, Member

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