

*Entered July 1, 1960
A.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. 1990
Order No. R-1710

APPLICATION OF CONTINENTAL OIL
COMPANY FOR AN ORDER AUTHORIZING
A WATERFLOOD PROJECT IN THE SKAGGS
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 22, 1960, 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 June, 1960, 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, Continental Oil Company, proposes to institute a waterflood project on its Southeast Monument Unit, Skaggs Pool, by the injection of water into the Grayburg formation through the following-described wells located in Lea County, New Mexico:

SEMU Permian Well No. 14, NE/4 SE/4 of Section 24,
Township 20 South, Range 37 East.

SEMU Permian Well No. 18, NE/4 SW/4 of Section 19

SEMU Permian Well No. 20, SW/4 SW/4 of Section 19

SEMU Permian Well No. 21, SW/4 SE/4 of Section 19

SEMU Permian Well No. 28, SW/4 NW/4 of Section 19

SEMU Permian Well No. 23, NE/4 NW/4 of Section 30

all in Township 20 South, Range 38 East.

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(3) That the producing wells in the area to be waterflooded have reached an advanced state of depletion and are properly to be classified as "stripper" wells.

(4) That the applicant proposes to inject in an open hole interval through tubing below a packer if injectivity tests establish that this method of injection would be efficient.

(5) That the proposed waterflood project should be authorized and 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 the applicant be and the same is hereby authorized to institute a waterflood project in the Skaggs Pool by the injection of water into the Grayburg formation through the following-described wells in Lea County, New Mexico:

SEMU Permian Well No. 14, NE/4 SE/4 of Section 24,
Township 20 South, Range 37 East.

SEMU Permian Well No. 18, NE/4 SW/4 of Section 19

SEMU Permian Well No. 20, SW/4 SW/4 of Section 19

SEMU Permian Well No. 21, SW/4 SE/4 of Section 19

SEMU Permian Well No. 28, SW/4 NW/4 of Section 19

SEMU Permian Well No. 23, NE/4 NW/4 of Section 30

all in Township 20 South, Range 38 East.

(2) That the applicant be and the same is hereby authorized to inject water into the above-described wells in an open hole interval through 2-inch tubing below a packer.

PROVIDED HOWEVER, That if injection into the open hole interval does not result in satisfactory injectivity rates, then a liner shall be set in each well and injection shall be made through perforations.

PROVIDED FURTHER, That if a corrosion problem is encountered, injection shall be made through plastic-coated tubing.

(3) That the operation of the waterflood project herein authorized shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including those provisions

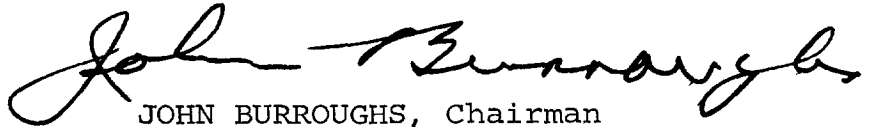
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regarding allocation of allowables and expansion of the project area.

(4) That monthly progress reports on the waterflood project herein authorized 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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A handwritten signature in cursive script, appearing to read "John Burroughs".

JOHN BURROUGHS, Chairman

A handwritten signature in cursive script, appearing to read "Murray E. Morgan".

MURRAY E. MORGAN, Member

A handwritten signature in cursive script, appearing to read "A. L. Porter, Jr.".

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

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