

Entered November 21, 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. 2111
Order No. R-1820

APPLICATION OF GULF OIL CORPORATION
FOR AN ORDER AUTHORIZING A WATERFLOOD
PROJECT IN THE EUMONT AND SOUTH EUNICE
POOLS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 2, 1960, 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 16th day of November, 1960, 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 thereof.

(2) That the applicant, Gulf Oil Corporation, seeks authorization to institute a waterflood project in the Eumont and South Eunice Pools by the injection of water into the Queen formation through Wells No. 14, 24, 27, 32, 35, and 48 located on the William A. Ramsay lease in Sections 27 and 34, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the proposed waterflood project area includes the following lands in Township 21 South, Range 36 East, NMPM, Lea County, New Mexico:

Section 27: NW/4 SE/4, S/2 SE/4, SW/4
Section 33: E/2 NE/4
Section 34: N/2, SE/4, N/2 SW/4, SE/4 SW/4
Section 35: E/2 NW/4, NW/4 SW/4

(4) That all lands in the proposed waterflood project area have a common royalty owner.

-2-

CASE No. 2111
Order No. R-1820

(5) That a large majority of 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.

(6) 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, Gulf Oil Corporation, be and the same is hereby authorized to institute a waterflood project in the Eumont and South Eunice Pools by the injection of water into the Queen formation through Wells No. 14, 24, 27, 32, 35, and 48 located on the William A. Ramsay lease in Sections 27 and 34, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

(2) That the waterflood project area shall include the following lands in Township 21 South, Range 36 East, NMPM, Lea County, New Mexico:

Section 27: NW/4 SE/4, S/2 SE/4, SW/4
Section 33: E/2 NE/4
Section 34: N/2, SE/4, N/2 SW/4, SE/4 SW/4
Section 35: E/2 NW/4, NW/4 SW/4

(3) That the 40-acre tract comprising the SE/4 SE/4 of Section 28, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, may be included in the waterflood project area by administrative approval of the Commission upon proof that this tract has been unitized with the remainder of the project area, or that the ownership of this tract is common with that of the project area, or that all interests in this tract have been brought under a working agreement.

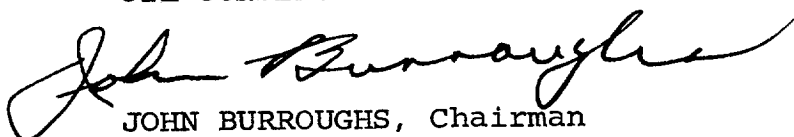
(4) That the operation of the waterflood project herein authorized shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables and expansion of the project area, except as provided for in Paragraph (3) above.

(5) 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.

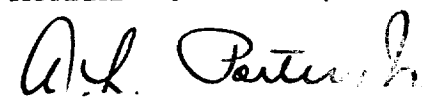
-3-
CASE No. 2111
Order No. R-1820

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

S E A L

esr/