

*Entered and filed 30, 1962
D.H.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. 2492
Order No. R-2203

APPLICATION OF WESTERN DEVELOPMENT
COMPANY AND YATES PETROLEUM CORPORA-
TION FOR A WATERFLOOD PROJECT, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 7, 1962, 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 28th day of March, 1962, 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 applicants, Western Development Company and Yates Petroleum Corporation, seek permission to institute a waterflood project in the Artesia Pool on the State 648 Lease located in Section 10, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico, with the injection of water into the Grayburg formation initially to be through six wells located on said lease.

(3) 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.

(4) That injection of water through the casing should be authorized provided the casing is cemented from bottom to top or cemented from the shoe up to a minimum of 200 feet above the uppermost perforation in which event the casing should be pressure tested to 4000 psi on installation and tested annually thereafter over a packer to injection pressure or 1000 psi, whichever is greater.

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As an alternative, the injection of water should be made through tubing under packer set below the top of the casing cement.

(5) That the results of the above-mentioned pressure tests should be reported to the Commission and the State Engineer Office upon the completion of each test.

IT IS THEREFORE ORDERED:

(1) That the applicants, Western Development Company and Yates Petroleum Corporation, are hereby authorized to institute a waterflood project in the Artesia Pool on the State 648 Lease located in Section 10, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico, by the injection of water into the Grayburg formation initially to be through the following-described wells:

Western-Yates-State 648 Well No. 64, located
in Unit C;
Western-Yates-State 648 Well No. 67, located
in Unit E;
Western-Yates-State 648 Well No. 69, located
in Unit O;
Western-Yates-State 648 Well No. 73, located
in Unit B;
Western-Yates-State 648 Well No. 75, located
in Unit G; and
Western-Yates-State 648 Well No. 174, located
in Unit K;

all in said Section 10.

PROVIDED HOWEVER, That if water is injected through the casing the casing shall be cemented from bottom to top or cemented from the shoe up to a minimum of 200 feet above the uppermost perforation in which event the casing shall be pressure tested to 4000 psi on installation and tested annually thereafter over a packer to injection pressure or 1000 psi, whichever is greater.

As an alternative, the injection of water may be made through tubing under packer set below the top of the cement.

(2) That the results of the above-mentioned pressure tests shall be reported to the Commission and the State Engineer Office upon completion of each test.

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

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(4) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1119 of the Commission Rules and Regulations.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

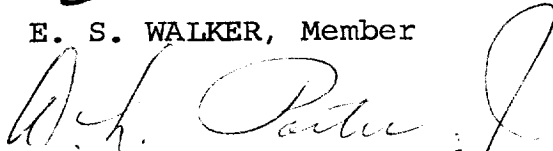
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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

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