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. 2673 Order No. R-2356

APPLICATION OF SKELLY OIL COMPANY FOR A SECONDARY RECOVERY PROJECT, WEST DOLLARHIDE QUEEN 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 October 24, 1962, 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 6th day of November, 1962, 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, Skelly Oil Company, seeks authority to institute a waterflood project in the West Dollarhide Queen Pool in the West Dollarhide Queen Sand Unit Area comprising portions of Townships 24 and 25 South, Range 38 East, NMPM, Lea County, New Mexico, by the injection of water into the Queen formation through 28 wells located in Sections 19, 29, 30, 31, and 32, Township 24 South, Range 38 East, and Sections 4, 5, and 6, Township 25 South, Range 38 East, NMPM, Lea County, New Mexico.
- (3) That the wells in the proposed project area are in an advanced stage of depletion and should properly be classified as "stripper" wells.
- (4) That the waterflood project should be approved and should be governed by the provisions of Rule 701.

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IT IS THEREFORE ORDERED:

(1) That the applicant, Skelly Oil Company, is hereby authorized to institute a waterflood project in the West Dollar-hide Queen Pool in the West Dollarhide Queen Sand Unit Area comprising portions of Townships 24 and 25 South, Range 38 East, NMPM, Lea County, New Mexico, by the injection of water into the Queen formation through the following-described wells:

Location Well No. Unit Section Operator & Lease Township Range Culbertson & Irwin Texas Penny 1 K 5 25 South 38 East L. E. Elliott Elliott Fed. 3-HG 31 24 South 38 East Elliott Fed. 24 South 38 East 4-H Α 31 Elliott & Hall С 24 South Elliott Fed. 1-S 31 38 East J. P. Gibbins Fowler Hair Fowler Hair 2 С 30 24 South 38 East 24 South 38 East 3 F. 30 Gulf Leonard "G" 17 D 4 25 South 38 East Pan American State "Y" 13 G 32 24 South 38 East State "Y" 14 С 32 24 South 38 East Sinclair McClure 3 0 30 24 South 38 East 9 McClure 30 24 South 38 East Ι 12 30 McClure G 24 South 38 East 24 South 38 East McClure 15 0 19 State Lea 263 В 25 South 38 East 2 6 L. E. Vance 4 K 30 24 South 38 East 5 L. E. Vance M 30 24 South 38 East Skelly Mexico "J" 11 N 32 24 South 38 East Mexico "J" 24 South 38 East 12 K 32 Mexico "J" 24 South 38 East 18 Ρ 32 Mexico "K" 3 M 29 24 South 38 East Mexico "K" \mathbf{E} 29 11 24 South 38 East Mexico "L" E 5 25 South 38 East 6 Mexico "L" 38 East 5 25 South 9 H Mexico "L" 12 5 38 East В 25 South Mexico "O" 6 1 H 25 South 38 East Texaco 2 McGhee Ρ 31 24 South 38 East 24 South 31 38 East 9 McGhee K Un. Royalty "A" 24 South 38 East Μ 19

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- (2) That the subject waterflood project shall be governed by the provisions of Rule 701, including the allowable provisions thereof, and including the provisions with respect to expansion of the waterflood project.
- (3) 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

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E.S. WALKER, Member

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

SEAL