Entered January 15, 1963

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. 2712 Order No. R-2395

APPLICATION OF CIMA CAPITAN CORPORATION FOR A WATERFLOOD PROJECT, ARTESIA POOL, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 6, 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 <u>26th</u> day of December, 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 applicant, Cima Capitan Corporation, seeks permission to institute a waterflood project in the Artesia Pool by the injection of water into the Grayburg-San Andres formations through seven wells located in Section 17, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.
- (3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (4) That approval of the subject application will neither cause waste nor impair correlative rights.
- (5) That the subject application should be approved and should be governed by the provisions of Rule 701.

-2-CASE No. 2712 Order No. R-2395

IT IS THEREFORE ORDERED:

(1) That the applicant, Cima Capitan Corporation, is hereby authorized to institute a waterflood project in the Artesia Pool by the injection of water into the Grayburg-San Andres formations through the following-described seven wells located in Section 17, Township 18 South, Range 28 East, NMPM, Artesia Pool, Eddy County, New Mexico:

Welch State Well No. 1, SW/4 NE/4 SW/4; Welch State Well No. 4, NE/4 NE/4 SW/4; Welch State Well No. 5, SW/4 NW/4 SE/4; Adkins-Williams Well No. 1, SW/4 SW/4 SE/4; Adkins-Williams Well No. 6, NE/4 SW/4 SE/4; Adkins-Williams Well No. 7, SW/4 SE/4 SE/4; Adkins-Williams Well No. 10, NE/4 SE/4 SE/4.

- (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 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.
- (4) 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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

TOM BOLACK, Chairman

Eswalher

E. S. WALKER, Member

SEAL

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

esr/