

*Entered April 19, 1963
W.R.*

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. 2776
Order No. R-2458

APPLICATION OF INTERNATIONAL OIL
& GAS CORPORATION FOR A WATERFLOOD
PROJECT, HIGH LONESOME 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 March 20, 1963, 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 27th day of March, 1963, 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, International Oil & Gas Corporation, seeks permission to institute a waterflood project in the High Lonesome Pool by the injection of water into the Penrose section of the Queen formation through its McCallister Federal Well No. 4, located in the SE/4 SE/4 of Section 15, Township 16 South, Range 29 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 the proposed waterflood project is in the interest of conservation and should result in recovery of otherwise unrecoverable oil.
- (5) That the applicant proposes to inject water down 5 1/2-inch OD casing into an open hole interval at approximately 1969

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to 1999 feet; that in order to assure adequate protection of producing formations in the area, if the casing will not withstand 2000 pounds pressure psi, injection should be accomplished through internally plastic-coated tubing installed in a packer set above the injection interval.

(6) That the subject application should be approved and the project should be governed by the provisions of Rule 701 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, International Oil & Gas Corporation, is hereby authorized to institute a waterflood project in the High Lonesome Pool by the injection of water into the Penrose section of the Queen formation through its McCallister Federal Well No. 4, located in the SE/4 SE/4 of Section 15, Township 16 South, Range 29 East, NMPM, Eddy County, New Mexico.

(2) That the applicant shall test the casing in the subject well prior to injection and upon notification to the Commission's Artesia office, and if the casing will not withstand 2000 pounds pressure psi, injection shall be accomplished through internally plastic-coated tubing installed in a packer set above the injection interval.

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

(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

Jack M. Campbell
JACK M. CAMPBELL, Chairman

E. S. Walker
E. S. WALKER, Member

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

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