Entered September 17, 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. 2879 Order No. R-2556 NOMENCLATURE

APPLICATION OF HUMBLE OIL & REFINING COMPANY FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 7, 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 23rd day of August, 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, Humble Oil & Refining Company, is the owner and operator of the State "M" Lease comprising all of Section 19, the SW/4 SW/4, E/2 SW/4, and W/2 SE/4 of Section 20, the W/2, W/2 NE/4, and NW/4 SE/4 of Section 29, all of Section 30, and the N/2 of Section 31, all in Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant, Humble Oil & Refining Company, seeks permission to institute a waterflood project in the Langlie-Mattix and Eumont Pools by the injection of water into the Queen formation through six wells on said State "M" Lease.

(4) That the wells in the proposed project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

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(5) That the proposed waterflood project is in the interest of conservation and should result in recovery of otherwise unrecoverable oil, thereby preventing waste.

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

(7) That all water injection should be through 1.9-inch OD internally plastic-coated tubing with a permanent type packer set at approximately 3400 feet in the 2 7/8-inch casing. The annulus between the casing and the tubing of each injection well should be filled with an inhibited liquid, and a pressure gauge should be installed on the tubing-casing annulus to indicate the presence of any packer or tubing leaks.

(8) That the applicant further proposes that the Eumont Pool be contracted by the deletion therefrom of all of Section 19 and the SW/4 SW/4 and E/2 SW/4 of Section 20, Township 22 South, Range 37 East, and that the Langlie-Mattix Pool be extended to include said acreage.

(9) That the proposed extension and contraction of said pools will be in the interest of better administration of the State "M" Lease and the proposed waterflood project inasmuch as all of said project would be within one pool.

IT IS THEREFORE ORDERED:

(1) That the applicant, Humble Oil & Refining Company, is hereby authorized to institute a waterflood project by the injection of water into the Queen formation through the followingdescribed six wells in Township 22 South, Range 37 East, NMPM, Lea County, New Mexico:

- State "M" Well No. 37, 330 feet from the South
 line and 330 feet from the West line of
 Section 20;
- State "M" Well No. 23, 660 feet from the North
 line and 1980 feet from the West line of
 Section 29;
- State "M" Well No. 26, 1980 feet from the North
 line and 660 feet from the West line of
 Section 29;
- State "M" Well No. 28, 1980 feet from the South
 line and 660 feet from the East line of
 Section 30;

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State "M" Well No. 31, 660 feet from the North
 line and 660 feet from the East line of
 Section 30;

State "M" Well No. 38, 1800 feet from the North line and 1980 feet from the East line of Section 30.

(2) That all injection shall be through 1.9-inch OD internally plastic-coated tubing with a permanent type packer set at approximately 3400 feet in the 2 7/8-inch casing. The annulus between the casing and the tubing of each injection well shall be filled with an inhibited liquid, and a pressure gauge shall be installed on the casing-tubing annulus.

(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 the Eumont Gas Pool is hereby contracted by the deletion therefrom of all of Section 19 and the SW/4 SW/4 and E/2 SW/4 of Section 20, Township 22 South, Range 37 East. The Langlie-Mattix Pool is hereby extended to include all of said acreage.

(6) 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, Chairman

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PORTER,

Jr., Member & Secretary

SEAL

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