

*Entered January 13, 1966
R.L.S.*

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. 3358
Order No. R-3026

APPLICATION OF GENERAL AMERICAN OIL
COMPANY OF TEXAS FOR A WATERFLOOD
EXPANSION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
January 5, 1966, at Santa Fe, New Mexico, before Examiner
Daniel S. Nutter.

NOW, on this 13th day of January, 1966, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, 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, General American Oil Company of
Texas, seeks permission to expand its waterflood project in the
Grayburg-Jackson Pool, authorized by Order No. R-2327, by the
conversion to water injection, in stages, of from 10 to 13 wells
in Sections 23 and 26, Township 17 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 expansion of the waterflood project
should result in the recovery of otherwise unrecoverable oil,
thereby preventing waste.

-2-

CASE No. 3358

Order No. R-3026

(5) That the subject application should be approved and the expanded project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, General American Oil Company of Texas, is hereby authorized to expand its waterflood project in the Grayburg-Jackson Pool, authorized by Order No. R-2327, by converting to water injection into the Grayburg-Keely zone of the San Andres formation, in stages, the following-described wells in Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico:

<u>WELL</u>	<u>LOCATION</u>
STAGE I	
Burch B No. 7	SW/4 NE/4 of Section 23
Burch B No. 8	SE/4 NE/4 of Section 23
Burch C No. 2	SE/4 NW/4 of Section 23
Burch C No. 7	NE/4 SE/4 of Section 23
Burch C No. 8	SE/4 SE/4 of Section 23
Keely B No. 4	NE/4 NE/4 of Section 26
Keely C No. 9	SE/4 NW/4 of Section 26
Keely C No. 14	SW/4 NW/4 of Section 26
STAGE II	
Burch B No. 4	SE/4 SW/4 of Section 23
Burch C No. 6	SW/4 SE/4 of Section 23
Keely C No. 1	NW/4 NW/4 of Section 26
STAGE III	
Burch B No. 5	NE/4 SW/4 of Section 23
Keely B No. 1	NW/4 NE/4 of Section 26

(2) That the subject waterflood project is hereby designated the Grayburg-Keely Cooperative Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That monthly progress reports of the expanded waterflood project herein authorized shall be submitted to the Commission in

-3-

CASE No. 3358
Order No. R-3026

accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

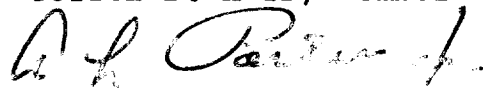
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


GUYTON B. HAYS, Member


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

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