

*Entered August 1, 1966
C.L.P.*

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. 3435
Order No. R-3097

APPLICATION OF TIDEWATER OIL COMPANY
FOR A CAPACITY ALLOWABLE, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 19, 1966,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 1st day of August, 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, Tidewater Oil Company, is the oper-
ator of the GO State "J" Well No. 1, located in Unit H of Section
7, Township 17 South, Range 33 East, NMPM, Maljamar Pool, Lea
County, New Mexico.

(3) That the applicant seeks assignment of special allowable
to the subject well authorizing said well to produce at its capac-
ity.

(4) That the subject well is adjacent to the Malmar Unit
Waterflood Project operated by Great Western Drilling Company
and has received a response from the injection of water into
said waterflood project.

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(5) That the subject well is now capable of producing in excess of its presently assigned allowable.

(6) That the applicant should be allowed to produce its GO State "J" Well No. 1 at its maximum capacity for a temporary 90-day period in order to avert the possibility of unrecoverable loss of oil presently being swept toward the subject well by the Malmar Unit Waterflood Project.

(7) That unitization of the SE/4 NE/4 of Section 7, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico, with acreage lying directly south and west thereof and in the Malmar Unit Waterflood Project Area would tend to protect correlative rights and to eliminate the possibility of waste as the subject well would then be eligible to share in the Malmar Unit Waterflood Project allowable.

(8) That approval of the subject application will prevent waste in permitting the production of otherwise unrecoverable oil and will not violate correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Tidewater Oil Company, is hereby authorized to produce its GO State "J" Well No. 1, located in Unit H of Section 7, Township 17 South, Range 33 East, NMPM, Maljamar Pool, Lea County, New Mexico, at its maximum capacity for a temporary period not to exceed 90 days from the date of this order.

(2) That the GO State "J" Well No. 1 shall be eligible to share in the Malmar Unit Waterflood Project allowable at the termination of the temporary 90-day maximum capacity production period authorized by this order, provided the SE/4 NE/4 of Section 7, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico, has been unitized with acreage lying directly south and west thereof and in the Malmar Unit Waterflood Project Area, and provided that said unitization agreement has been approved by the Commission.

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

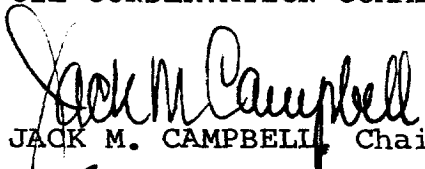
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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

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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