Brutered Recember 14, 1966 CC A.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. 3484 Order No. R-3150

APPLICATION OF PHILLIPS PETROLEUM COMPANY FOR A PILOT WATERFLOOD PROJ-ECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 2, 1966, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>14th</u> day of November, 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, Phillips Petroleum Company, seeks permission to institute a pilot waterflood project in the Vacuum Field by the injection of water into the Grayburg-San Andres formation through its Santa Fe Well No. 14 located in Unit P of Section 20, Township 17 South, Range 35 East, NMPM, Lea 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 should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

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(5) That the subject application should be approved and the 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, Phillips Petroleum Company, is hereby authorized to institute a pilot waterflood project in the Vacuum Field by the injection of water into the Grayburg-San Andres formation through its Santa Fe Well No. 14 located in Unit P of Section 20, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico.

(2) That the subject pilot waterflood project is hereby designated the Santa Fe-Vacuum 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 pilot waterflood project herein authorized shall be submitted to the Commission in 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 QIL CONSERVATION COMMISSION GUYTON B. HAYS. Member Jr., Member & Secretary PORTER

SEAL

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