

*Entered September 11, 1967*  
*A.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. 3653  
Order No. R-3311

APPLICATION OF DEPCO, INC.,  
FOR A WATERFLOOD PROJECT, EDDY  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 6, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 11th day of September, 1967, 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,

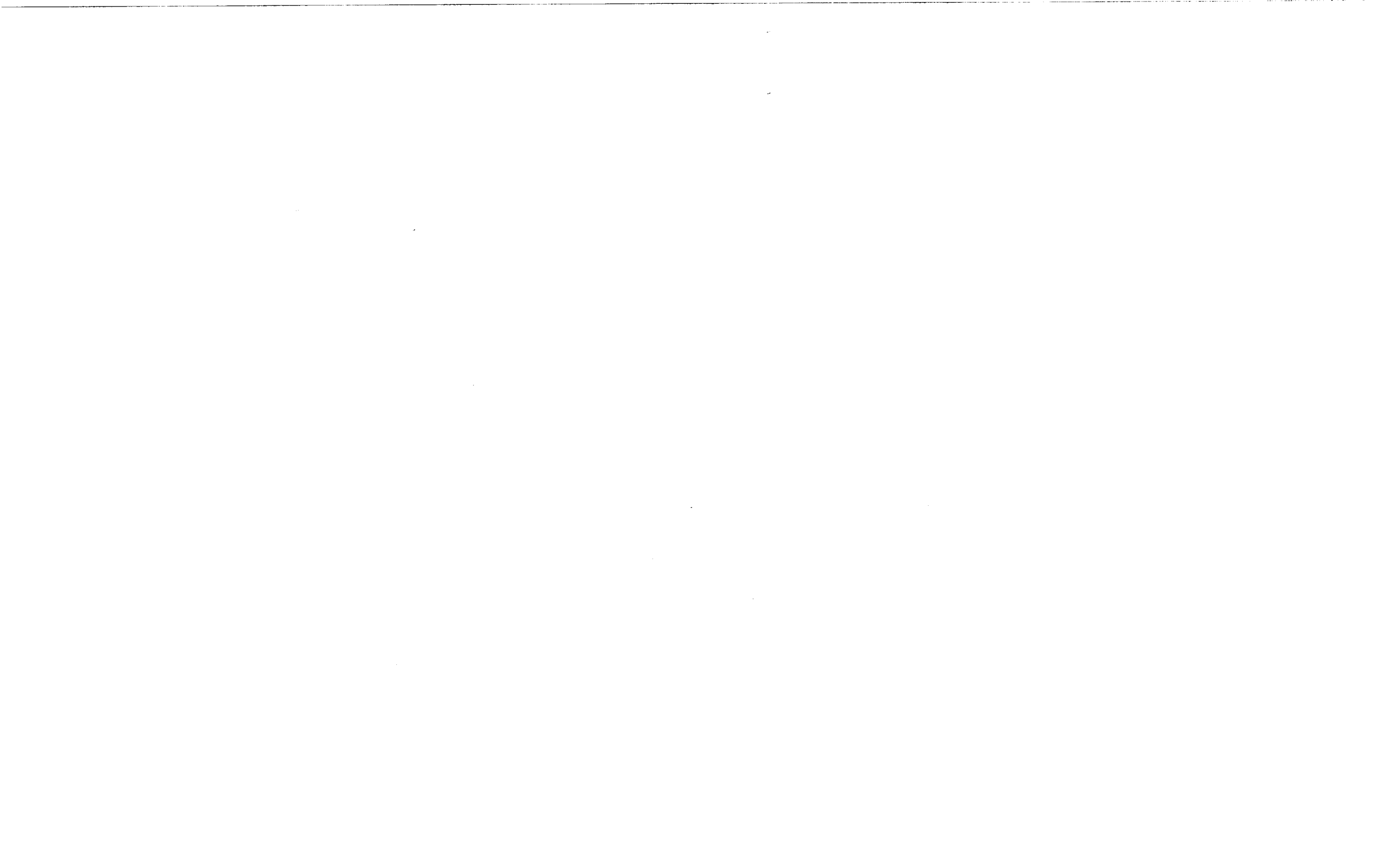
FINDS:

(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, Depco, Inc., as successor to International Oil and Gas Corporation, operates a waterflood project in the Artesia Pool pursuant to Order No. R-2876, dated March 5, 1965, by the injection of water into the Grayburg formation through two wells located in Sections 25 and 36, Township 17 South, Range 28 East.

(3) That the applicant seeks permission to expand said waterflood project in its Artesia Unit Area, Artesia Pool, by the injection of water into the Grayburg formation through 15 additional injection wells in Sections 26, 34, 35, and 36, Township 17 South, Range 28 East, and Sections 2 and 3, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

(4) That the wells in the 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 should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) 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, Depco, Inc., is hereby authorized to expand its Highway Waterflood Project in its Artesia Unit Area, Artesia Pool, by the injection of water into the Grayburg formation through the following-described wells in Eddy County, New Mexico:

| OPERATOR | LEASE                | WELL NO. | UNIT | SECTION | TOWNSHIP | RANGE   |  |
|----------|----------------------|----------|------|---------|----------|---------|--|
|          |                      |          |      |         | NMPM     |         |  |
| Depco    | State 647            | 164      | M    | 26      | 17 South | 28 East |  |
| Depco    | State 647            | 169      | O    | 26      | 17 South | 28 East |  |
| Depco    | Delhi State          | 1        | O    | 34      | 17 South | 28 East |  |
| Depco    | Welch State          | 2        | E    | 35      | 17 South | 28 East |  |
| Depco    | MRY State            | 2        | G    | 35      | 17 South | 28 East |  |
| Depco    | Sinclair B State     | 1        | M    | 35      | 17 South | 28 East |  |
| Depco    | Castle State         | 2        | O    | 35      | 17 South | 28 East |  |
| Depco    | State 647            | 139      | E    | 36      | 17 South | 28 East |  |
| Depco    | Sinclair B State     | 2        | M    | 36      | 17 South | 28 East |  |
| Depco    | State A              | 2        | E    | 2       | 18 South | 28 East |  |
| Depco    | Featherstone State B | 7        | M    | 2       | 18 South | 28 East |  |
| Depco    | Lanning State        | 1        | E    | 3       | 18 South | 28 East |  |
| Depco    | State 647            | 130      | G    | 3       | 18 South | 28 East |  |
| Depco    | State 647            | 38       | M    | 3       | 18 South | 28 East |  |
| Depco    | Resler State         | 2        | O    | 3       | 18 South | 28 East |  |

(2) That the subject waterflood project is hereby redesignated the Depco Artesia 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 waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

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(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

DAVID F. CARGO, Chairman

  
GUYTON B. HAYS, Member

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

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