

Entered December 4, 1967
W.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. 3692
Order No. R-3352

APPLICATION OF SKELLY OIL COMPANY
FOR A WATERFLOOD EXPANSION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 29, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of December, 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, Skelly Oil Company, seeks permission to expand its Lovington Paddock Unit Waterflood Project in the Lovington-Paddock Pool by the conversion to water injection into the Lovington Glorieta (Paddock) formation of seven additional wells located in Sections 25 and 35, Township 16 South, Range 36 East; Section 30, Township 16 South, Range 37 East; Sections 1 and 12, Township 17 South, Range 36 East; and Section 6, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant further seeks an administrative procedure whereby said project could be expanded to include additional lands and injection wells in the area of the said project as may be necessary in order to complete an efficient injection pattern; that said administrative procedure should provide for administrative approval for conversion to water

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injection in exception to the well response requirements of Rule 701 E-5 of the Commission Rules and Regulations.

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

(5) That the proposed expansion of the Lovington Paddock Unit Waterflood Project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) 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; provided, however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

(1) That the applicant, Skelly Oil Company, is hereby authorized to expand its Lovington Paddock Unit Waterflood Project in the Lovington-Paddock Pool by the injection of water into the Lovington Glorieta (Paddock) formation through the following-described wells in Lea County, New Mexico:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM

Lovington Paddock Unit Well No. 4, Unit M, Section 25
Lovington Paddock Unit Well No. 6, Unit O, Section 25
Lovington Paddock Unit Well No. 44, Unit O, Section 35

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Lovington Paddock Unit Well No. 8, Unit M, Section 30

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM

Lovington Paddock Unit Well No. 73, Unit M, Section 1
Lovington Paddock Unit Well No. 80, Unit G, Section 12

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM

Lovington Paddock Unit Well No. 70, Unit M, Section 6

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(2) That the expanded waterflood project shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve expansion of the Lovington Paddock Unit Waterflood Project to include such additional lands and injection wells in the area of said project as may be necessary to complete an efficient water injection pattern; that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

(3) That monthly progress reports of the expanded waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

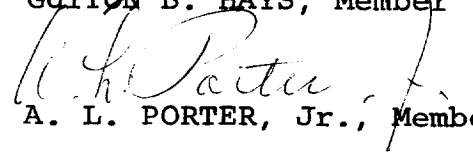
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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

S E A L

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