Entered May 21,1968 als

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. 3770 Order No. R-3421

APPLICATION OF TEXAS PACIFIC OIL COMPANY FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8 a.m. on May 22, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>29th</u> day of May, 1968, 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, Texas Pacific Oil Company, seeks permission to institute a waterflood project in the South Leonard (Queen) Unit Area, South Leonard-Queen Pool, by the injection of water into the Queen formation through five injection wells in Sections 13, 23, and 24, Township 26 South, Range 37 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, Texas Pacific Oil Company, is hereby authorized to institute a waterflood project in the South Leonard (Queen) Unit Area, South Leonard-Queen Pool, by the injection of water into the Queen formation through the followingdescribed wells in Township 26 South, Range 37 East, NMPM, Lea County, New Mexico:

COMPANY	LEASE	WELL NO.	UNIT	SECTION
Tenneco	Parker Federal	4	N	13
Tenneco	Parker Federal	1	A	23
Shell	Scarborough	6	I	23
Texas Pacific				
Oil Company	Dublin-Federal	4	N	24
Unit	Dublin-Federal			
	(to be drilled)	10	H	24

(2) That the subject waterflood project is hereby designated the TP South Leonard Queen 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.

(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

GUTTON B. Member all

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

SEAL

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