Entered languest 20,1968 Q.I.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. 3831 Order No. R-3476

APPLICATION OF KEWANEE OIL COMPANY 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 August 7, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>20th</u> day of August, 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, Kewanee Oil Company, seeks permission to institute a waterflood project in its Atoka-San Andres Unit Area, Atoka-San Andres Pool, by the injection of water into the San Andres formation through 28 injection wells in Township 18 South, Range 26 East, NMPM, Eddy 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 two pilot waterflood projects have been conducted in the subject area under authority of Commission Orders Nos. R-2955 and R-3192.

(5) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste. -2-CASE No. 3831 Order No. R-3476

(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, Kewanee Oil Company, is hereby authorized to institute a waterflood project in its Atoka San Andres Unit Area, Atoka-San Andres Pool, by the injection of water into the San Andres formation through the followingdescribed wells in Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico:

Standard of Texas I NE/4 SW/4 10 E. Holland 1 NE/4 SW/4 10 Ralph Rogers 3 SE/4 SE/4 10 Stroup 4 SE/4 NE/4 10 Stroup 2 SE/4 NW/4 11 Stroup 6 NE/4 NW/4 11 M. G. Johnson 2 NW/4 SW/4 11	<u>n</u>
E. Holland 1 NE/4 SW/4 10 Ralph Rogers 3 SE/4 SE/4 10 Stroup 4 SE/4 NE/4 10 Stroup 2 SE/4 NW/4 11 Stroup 6 NE/4 NW/4 11 M. G. Johnson 2 NW/4 SW/4 11	
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Stroup 6 NE/4 NW/4 11 M. G. Johnson 2 NW/4 SW/4 11	
M. G. Johnson 2 NW/4 SW/4 11	
B. C. Aaron 1 SE/4 SW/4 11	
Mobil Oil Corp.	
D. E. Fanning 1 NW/4 SE/4 11	
D. E. Fanning 4 SE/4 NE/4 11	
Reed Brainard 2 SE/4 SE/4 11	
<u>Standard of Texas</u>	
Vinther 1 SE/4 SW/4 12	
Higgins Unit 3 l NW/4 SE/4 12	
Swearingen Unit 1 SE/4 NW/4 12	
Higgins Unit 2 1 NW/4 NW/4 12	
Mobil Oil Corp.	
D. E. Fanning 5 NW/4 SW/4 12	
Kewanee Oil Co.	
Fanning "A" 2 NW/4 SE/4 13	
Leavitt "S" 9 SW/4 NW/4 13	
Standard of Texas	
L. Vandagriff 1 SW/4 SW/4 13	
Leavitt 1 NW/4 NE/4 13	

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(1) - continued from page 2 -

Operator	Well No.	Unit	Section
Kewanee Oil Co.			
Everest Est.	2	SE/4 SW/4	14
Everest	1	NW/4 SE/4	14
Fanning "S"	1	NE/4 SE/4	14
Leavitt "S"	4	NE/4 NE/4	14
Terry Tr. 2	2	NW/4 NE/4	14
Terry Tr. 3	3	SE/4 NW/4	14
<u>Standard of Texas</u>			
Paul Terry	3	NW/4 NW/4	14
K <u>ewane</u> e Oil Co.			
Rogers "A"	1	NE/4 NE/4	23
Martin	2	NW/4 NW/4	23

(2) That the subject waterflood project is hereby designated the Kewanee Atoka San Andres 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 Orders Nos. R-2955 and R-3192 are hereby superseded.

(5) 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 RVATION COMMISSION OIĽ CON 1 DAVID F CARGO, Chairman 14 HAYS, Ment TON

SEAL

L. PORTER, Jr., Member & Secretary

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