

*Entered April 28, 1969  
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. 4110  
Order No. R-3743

APPLICATION OF ATLANTIC-RICHFIELD  
COMPANY FOR A WATERFLOOD PROJECT  
AND AN UNORTHODOX INJECTION WELL  
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 23, 1969,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 28th day of April, 1969, 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, Atlantic-Richfield Company, seeks  
permission to institute a pilot waterflood project in the Shugart  
Pool by the injection of water into the Queen formation through  
an injection well to be drilled at an unorthodox location 100  
feet from the North line and 100 feet from the West line of  
Section 23, Township 18 South, Range 31 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 the proposed pilot 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, Atlantic-Richfield Company, is hereby authorized to institute a pilot waterflood project in the Shugart Pool by the injection of water into the Queen formation through an injection well to be drilled at an unorthodox location 100 feet from the North line and 100 feet from the West line of Section 23, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico.

(2) That the subject pilot waterflood project is hereby designated the Atlantic Richfield Shugart Panco 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  
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMSTRONG, Member

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

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