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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. 4287 Order No. R-3756-B

APPLICATION OF CONTINENTAL OIL COMPANY FOR A WATERFLOOD EXPANSION AND 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 January 7, 1970, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>20th</u> day of January, 1970, 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 by Order No. R-3756, dated May 20, 1969, the applicant, Continental Oil Company, was authorized to institute its Continental Forest Donahue Waterflood Project in the Forest Pool, among other projects, by the injection of water into the Grayburg and San Andres formations through its Donahue Well No. 3 at a standard location in Unit J of Section 34 and through its Donahue Well No. 4 to be drilled at a standard location in Unit F of Section 35, both in Township 16 South, Range 29 East, NMPM, Eddy County, New Mexico.

(3) That Order No. R-3756-A, dated September 8, 1969, amended said Order No. R-3756 to permit the applicant to drill the above-described Well No. 4 at a specified non-standard location in order to avoid a certain topographic obstruction. -2-CASE No. 4287 Order No. R-3756-B

(4) That mechanical difficulties have prevented the successful completion of said Well No. 4 at the non-standard location specified in said Order No. R-3756-A.

(5) That the applicant now seeks the amendment of Order No. R-3756 to permit the drilling of its Donahue Well No. 5 in its Continental Forest Donahue Waterflood Project an an unorthodox location 1960 feet from the North line and 1450 feet from the West line of said Section 35 as a replacement for said Well No. 4.

(6) That approval of the subject application will not violate correlative rights and will permit an efficient water injection pattern to be maintained, thereby preventing waste.

IT IS THEREFORE ORDERED:

(1) That Order No. R-3756, dated May 20, 1969, is hereby further amended to authorize the applicant, Continental Oil Company, to drill its Donahue Well No. 5, a water injection well in its Continental Forest Donahue Waterflood Project for the injection of water into the Grayburg and San Andres formations, at an unorthodox location 1960 feet from the North line and 1450 feet from the West line of Section 35, Township 16 South, Range 29 East, NMPM, Eddy County, New Mexico.

(2) That Order No. R-3756 in all other respects shall remain the same.

(3) That Order No. R-3756-A is hereby superseded.

(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 QF NEW MEXICO OID CONFERVATION COMMISSION (sh DAVID F. SARGO, Chairman Parie ALEX J. ARMIJO, Member arter A. L. PORTER, Jr., Member & Secretary

SEAL esr/