Enteret May 20, 1969 all. 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. 4128 Order No. R-3757

APPLICATION OF C. O. FULTON 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 May 7, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 20th day of May, 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, C. O. Fulton, seeks permission to institute two waterflood projects on his Gulf State and Dublin State Leases in the Square Lake Pool by the injection of water into the Grayburg and San Andres formations through one well located in Unit D of Section 2, and two wells located in Units D and H of Section 3, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.
- (3) That the wells in the project areas are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (4) That the proposed waterflood projects should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-CASE No. 4128 Order No. R-3757

(5) That the subject application should be approved and the projects 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, C. O. Fulton, is hereby authorized to institute two waterflood projects on his Gulf State and Dublin State Leases in the Square Lake Pool by the injection of water into the Grayburg and San Andres formations through the following-described wells in Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico:
 - C. O. Fulton Gulf State Square Lake Waterflood Project

Injection Wells:

Gulf State Well No. 1, located in Unit D of Section 2

Gulf State Well No. 1, located in Unit D of Section 3

C. O. Fulton Dublin Square Lake Waterflood Project

Injection Well:

Dublin State Well No. 3, located in Unit H of Section 3

- (2) That the subject waterflood projects 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 projects 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.

-3-CASE No. 4128 Order No. R-3757

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

HEX J. ARMIJO Member

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

SEAL