A.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. 4236 Order No. R-3863

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 22, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>28th</u> day of October, 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, Continental Oil Company, seeks permission to institute a waterflood project in its Anderson Ranch Unit Area, Anderson Ranch-Wolfcamp Pool, by the injection of water into the Wolfcamp formation through its Anderson Ranch Unit Wells Nos. 4 and 5, located, respectively, in Units B and J of Section 11, Township 16 South, Range 32 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, Continental Oil Company, is hereby authorized to institute a waterflood project in its Anderson Ranch Unit Area, Anderson Ranch-Wolfcamp Pool, by the injection of water into the Wolfcamp formation through the following-described wells in Section 11, Township 16 South, Range 32 East, NMPM, Lea County, New Mexico:

> Anderson Ranch Unit Well No. 4, located in Unit B; Anderson Ranch Unit Well No. 5, located in Unit J.

(2) That the subject waterflood project is hereby designated the Continental Anderson Ranch Wolfcamp 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

Vala DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member ann PORTER, Jr., Member & Secretary

SEAL

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