

Entered December 2, 1967
A.S.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. 4269
Order No. R-3889

APPLICATION OF TEXACO INC. 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 November 25, 1969,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 2nd day of December, 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, Texaco Inc., seeks permission to
institute a waterflood project in its State "JD" Unit Area, Rhodes
(Yates-Seven Rivers) Pool, by the injection of water into the
Yates-Seven Rivers formations through two injection wells located
in Unit D and Unit F of Section 27, Township 26 South, Range 37
East, NMPM, Lea County, New Mexico.

(3) That the applicant further seeks an administrative
procedure whereby said project could be expanded to include
additional lands and injection wells in the area of the said
project as may be necessary in order to complete an efficient
injection pattern; that said administrative procedure should
provide for administrative approval for conversion to water
injection in exception to the well response requirements of
Rule 701 E-5 of the Commission Rules and Regulations.

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(4) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(5) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(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; provided however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to institute a waterflood project in its State "JD" Unit Area, Rhodes (Yates-Seven Rivers) Pool, by the injection of water into the Yates Seven Rivers formations through the following-described wells in Section 27, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico:

Texaco New Mexico "AD" State Well No. 2
located in Unit D

Amerada New Mexico "JA" State Well No. 1
located in Unit F

(2) That the subject waterflood project is hereby designated the Texaco State "JD" Rhodes Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, That the Secretary-Director of the Commission may approve expansion of the Texaco State "JD" Rhodes Waterflood Project to include such additional lands and injection wells in the area of the project as may be necessary to complete an efficient water injection pattern; that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

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(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

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

S E A L

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