Entered Chiquest 25,1970

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. 4404 Order No. R-4020

APPLICATION OF RESERVE OIL AND GAS COMPANY FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:30 a.m. on August 19, 1970, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>25th</u> day of August, 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 the applicant, Reserve Oil and Gas Company, seeks authority to institute a waterflood project in the Cooper-Jal Unit Area, Jalmat Pool, by the injection of water into the Tansill, Yates, and Upper and Middle Seven Rivers formations through 23 injection wells in Township 24 South, Ranges 36 and 37 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, Reserve Oil and Gas Company, is hereby authorized to institute a waterflood project in the Cooper-Jal Unit Area, Jalmat Pool, by the injection of water into the Tansill, Yates, and Upper and Middle Seven Rivers formations through the following-described 23 wells in Lea County, New Mexico:

Operator	Well		Loca	tion				
Lease	No.	<u>Unit</u>	<u>Section</u>	Township	<u>Range</u>			
Amerada	2		1.0		2.55			
Falby	3	K	19	24S	37E			
	(a dual completion)							
	4	М	19	24 S	37E			
Cities Service								
Jack "A" Federal	1	М	18	24S	37E			
	(a dual completion)							
Continental	_		2.0	0.4.0				
Jack Federal 19	1	E	19	24S	37E			
	(a dual completion)							
	4	с	19	24S	37E			
	-	-						
Humble								
Hunter	3	Ε	24	24 S	36E			
	4	с	24	24S	36E			
	(a dual completion)							
	(uur 00.						
Thomas	1	0	23	24 S	36E			
	2	N	24	240	36E			
	3	M	24	24S	70C			
Petroleum Corporation of Texas								
M. Dunn	1	0	13	24S	36E			
	2	I	13	24S	36E			
Harrison	1	С	25	24S	36E			
	7	Ε	25	24S	36E			

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Operator Lease	Well <u>No.</u>			t i o n <u>Township</u>	Range
Phillips	2	I	24	24S	36E
Thomas	1	0	24	24S	36E
	4	K	24	24S	36E
Reserve Oil and Gas Company Van Zandt	2	A	25	24S	36E
	4	G	25	24S	36E
Atlantic Richfield Company Dunn SCP	1	G	24	24S	36E
	3	A	24	24S	36E
Texaco					
Fristoe "B"	1	Е	30	24 S	37E
	3	С	30	24S	37E
Texas Pacific Myers "B" Federal	1	A	26	24S	36E

(2) That the subject waterflood project is hereby designated the Reserve Cooper Jal Jalmat 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 DAVID F. CARGO, Chairman ARMIJO, Men ALEX Member & Secretary L. PORTER, Jr.

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