

*Entered November 2, 1970
O.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. 4409
Order No. R-4049

APPLICATION OF ANADARKO PRODUCTION
COMPANY FOR TWO WATERFLOOD EXPANSIONS,
EDDY 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 2nd day of November, 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, Anadarko Production Company, seeks permission to expand the waterflood operation it is presently conducting on its Federal "Q" Lease, Section 3, Township 17 South, Range 30 East, NMPM, Square Lake Pool, Eddy County, New Mexico, by the conversion to water injection of three wells in Units J, L, and P of said Section 3 on its Federal "JJ" and Federal "KK" Leases.

(3) That the applicant further seeks an administrative procedure whereby it may further expand its waterflood operations to permit the institution of a waterflood project on its "R" Lease in Section 10 of said Township and Range, if and when an injection well is completed on said lease.

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

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

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Anadarko Production Company, is hereby authorized to institute the following additional waterflood projects 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 30 East, NMPM, Eddy County, New Mexico:

Anadarko Square Lake JJ Waterflood Project

Injection Well:

Anadarko Federal "JJ" Well No. 2, (to be drilled), Unit L, Section 3

Anadarko Square Lake KK Waterflood Project

Injection Wells:

Anadarko Federal "KK" Well No. 1, (to be drilled), Unit P, Section 3

Anadarko Federal "KK" Well No. 3, Unit J, Section 3

(2) That the Secretary-Director of the Commission may approve the institution of an additional Square Lake waterflood

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project on the applicant's "R" Lease located in Section 10, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico, upon the completion of a water injection well for said pool on said lease.

(3) That the above-described waterflood projects 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 above-described waterflood projects to include such additional injection wells in the areas of said projects as may be necessary to complete efficient injection patterns and 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.

(4) 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.


(5) 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

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