Entered August 28,1972 All.

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. 4760 Order No. R-4374

APPLICATION OF ANADARKO PRODUCTION 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 August 9, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>28th</u> day of August, 1972, 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, is the operator of the Langlie Mattix Penrose Sand Unit Waterflood Project, Langlie Mattix Pool, Lea County, New Mexico.
- (3) That the applicant seeks authority to institute two cooperative waterflood projects adjacent to said waterflood project by injection of water into the Queen and Grayburg formations through two injection wells in Sections 15 and 16, Township 22 South, Range 37 East, NMPM, Penrose Skelly Pool, Lea County, New Mexico.
- (4) That the wells in the project areas 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.

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(7) That applicant further requests establishment of an administrative procedure whereby the conversion of additional wells to injection may be approved administratively without a showing of well response to water injection.

#### IT IS THEREFORE ORDERED:

(1) That the applicant, Anadarko Production Company, is hereby authorized to institute two waterflood projects in the Penrose-Skelly Pool, by the injection of water into the Queen and Grayburg formations through the following-described wells in Township 22 South, Range 37 East, NMPM, Lea County, New Mexico:

# ANADARKO COLE PENROSE SKELLY WATERFLOOD PROJECT

	Well Name	Well No.	Unit	Sec.	Twn.	Rge .
R.	E. Cole	3	M	16	22 S	37 E

### ANADARKO WALDEN PENROSE SKELLY WATERFLOOD PROJECT

	Well Name	Well No.	Unit	Sec.	Twn.	Rge .
E.	W. Walden	6	N	15	22 S	37 E

- (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 the Secretary-Director may approve expansion of the subject waterflood projects to include such additional lands and injection wells in the area of the projects 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 conversion of additional wells to water injection.
- (5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

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

SEAL