Entered December 8, 1972

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. 4872 Order No. R-4452

APPLICATION OF SAMEDAN OIL CORPORATION 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 29, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>8th</u> day of December, 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, Samedan Oil Corporation, seeks authority to institute a waterflood project in the Langlie-Mattix "B-4" Penrose (Queen) Unit Area, Langlie-Mattix Pool, by the injection of water into the Queen formation through three injection wells in Sections 17 and 18, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.

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

(4) That the production from one new well in the project area is marginal and rapidly declining to "stripper" status.

(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.

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IT IS THEREFORE ORDERED:

(1) That the applicant, Samedan Oil Corporation, is hereby authorized to institute a waterflood project in the Langlie-Mattix "B-4" Penrose (Queen) Unit Area, Langlie-Mattix Pool, by the injection of water into the Queen formation through the following-described wells in Township 23 South, Range 37 East, NMPM, Lea County, New Mexico:

Well Name	Well No.	Unit	Section
Hughes "B-4"	8	F	17
Hughes "B-4"	11	D	17
Federal H	1	H	18

(2) That injection shall be through internally coated tubing under a packer set within 110 feet of the uppermost casing perforation and the casing-tubing annulus shall be loaded with an inhibited fluid and the annulus gauged or allowed to remain open at the surface in order to detect any leakage of the casing, tubing, or packer.

(3) That the subject waterflood project is hereby designated the Samedan Langlie-Mattix "B-4" Penrose (Queen) Unit Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(4) 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.

(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 BRUCE KING, Chairmán ARMIJO Member PORTER, Jr., Member & Secretary

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