

*Entered January 5, 1973
A.F.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. 4882
Order No. R-4462

APPLICATION OF SHELL OIL COMPANY
FOR A WATERFLOOD PROJECT, CHAVES
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 19, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 5th day of January, 1973, 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, Shell Oil Company, seeks authority to institute a waterflood project on its Amco-Federal and Hodges Federal "B" Leases, Cato-San Andres Pool, by the injection of water into the San Andres formation through five injection wells in Sections 33 and 34, Township 8 South, Range 30 East, NMPM, Chaves 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.

(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, Shell Oil Company, is hereby authorized to institute a waterflood project in the Cato-San Andres Pool by the injection of water into the San Andres

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formation through the following-described wells in Township 8 South, Range 30 East, NMPPM, Chaves County, New Mexico:

Amco Federal Well No. 4 - Section 33, Unit G
Amco Federal Well No. 6 - Section 33, Unit O
Amco Federal Well No. 7 - Section 33, Unit E
Amco Federal Well No. 8 - Section 33, Unit M
Hodges Federal B Well No. 4 - Section 34, Unit M

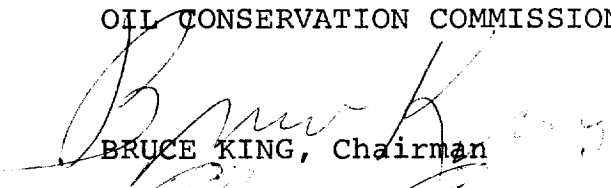
(2) That the subject waterflood project is hereby designated the Shell Amco-Hodges Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

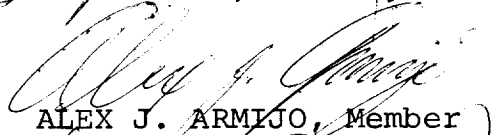
(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

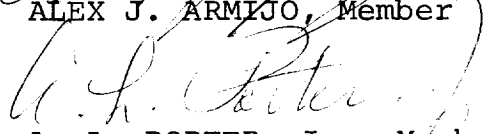
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

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