Entered Jehnen 21, 1914

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. 5144 Order No. R-4727

APPLICATION OF DEPCO, INC. FOR A WATERFLOOD PROJECT, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 30, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>21st</u> day of February, 1974, 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, Depco, Inc., seeks authority to institute a waterflood project in the Northwest Artesia Unit Area, Artesia Pool, by the injection of water into the Grayburg-San Andres formation through seven injection wells in Sections 31 and 32, Township 17 South, Range 28 East, NMPM, Eddy 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, Depco, Inc., is hereby authorized to institute a waterflood project in the Northwest Artesia Unit Area, Artesia Pool, by the injection of water into the Grayburg-San Andres formation through the following-described wells in Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico: -2-CASE NO. 5144 Order No. R-4727

State 647	Well No.	206	Unit H	Section 31
State 647	Well No.	219	Unit P	Section 31
State 647	Well No.	179	Unit H	Section 32
State 647	Well No.	195	Unit B	Section 32
State 647	Well No.	208	Unit L	Section 32
State 647	Well No.	212	Unit N	Section 32
Ramapo "A"	Well No.	2	Unit P	Section 32

(2) That the subject waterflood project is hereby designated the Northwest Artesia Unit 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

I. R. TRUJILLO, Chairman

ARMIJO Member ÁΤ. J . L. PORTER, JR., Member & Secretary

SEAL

jr/