Entered lune 17, 1925

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. 5489 Order No. R-4819-A

APPLICATION OF TEXAS PACIFIC OIL CO., INC., FOR A WATERFLOOD EXPAN-SION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 28, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>17th</u> day of June, 1975, 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, Texas Pacific Oil Company, Inc., seeks approval for the expansion of its Jalmat State "A" and/or its Langlie Mattix State "A" waterflood projects, Jalmat and Langlie Mattix Pools, by the injection of water into the Seven Rivers and Queen formations through its State "A" Wells Nos. 47 and 63 located, respectively, in Units K and I of Section 3 and its State "A" Well No. 84, located in Unit G of Section 23, all in Township 23 South, Range 36 East, Lea County, New Mexico.

(3) That the proposed injection is to be into the Seven Rivers and Queen formations of said Langlie-Mattix Pool only.

(4) That the mechanics of the proposed injection wells are feasible and in accord with good conservation practices.

(5) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

(6) That injection into said State A Wells Nos. 47 and 63 constitutes a legitimate expansion of applicant's Langlie-Mattix State A Waterflood Project which project was authorized by Commission Order No. R-4819, dated June 19, 1974.

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(7) That while said State A Well No. 84 is located on the same basic lease with the wells described in Finding (6) above, it is separated from them by a distance of approximately 2 3/4 miles.

(8) That injection into said State A Well No. 84 will result in the initiation of new waterflood project on applicant's State A lease, Langlie-Mattix Pool, Lea County, New Mexico.

(9) That expansion of applicant's Langlie-Mattix State A Waterflood Project and creation of second Langlie-Mattix Waterflood project on applicant's State A lease should result in the recovery of hydrocarbons which would otherwise not be recovered, thereby preventing waste.

(10) 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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texas Pacific Oil Company, Inc., is hereby authorized to expand its Langlie-Mattix State A Waterflood Project by the injection of water into the lower Seven Rivers and Queen formations through the following-described wells in Section 3, Township 23 South, Range 36 East, NMPM, Langlie-Mattix Pool, Lea County, New Mexico:

LEASE	NAME	WELL NO.	UNIT	LETTER
State State	-	47 63		K I

(2) That the applicant, Texas Pacific Oil Company, Inc., is further authorized to institute a second waterflood project on its State A Lease, Langlie-Mattix Pool, by the injection of water into the lower Seven Rivers and Queen formations through its State A Well No. 84, located in Unit G of Section 23, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That injection into each of said wells shall be through internally coated tubing, set in a packer which shall be located as near as practicable to the uppermost perforation or, in the case of open-hole completions, the casing shoe; that any perforations above the packer shall be squeezed; that the casing-tubing annulus of each injection well shall be loaded with an inert fluid and equipped with an approved pressure gauge or attentionattracting leak detection device. .

(4) That the operator shall immediately notify the supervisor of the Commission's Hobbs district office of the failure of the tubing or packer in any of said injection wells, the

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leakage of water or oil from around any producing well, or the leakage of water or oil from any plugged and abandoned well within the project area and shall take such timely steps as may be necessary or required to correct such failure or leakage.

(5) That the waterflood project authorized under Order (2) above is hereby designated the Texas Pacific Oil Company Langlie Mattix State A Waterflood Project No. 2 and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(6) 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.

(7) 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

TRUJILLO, Chairman R.

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SEAL