

Entered July 24, 1959
CR

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. 1185
Order No. R-952-A

APPLICATION OF GRARIDGE CORPO-
RATION FOR AN ORDER AMENDING
ORDER NO. R-952 TO ESTABLISH
AN ADMINISTRATIVE PROCEDURE
WHEREBY ADDITIONAL WELLS IN
THE ARTESIA WATER FLOOD PROJECT
NO. 1, ARTESIA POOL, EDDY
COUNTY, NEW MEXICO, MAY BE CON-
VERTED TO WATER INJECTION, FOR
APPROVAL OF FIFTEEN UNORTHODOX
WELL LOCATIONS IN SAID PROJECT
AND FOR CAPACITY ALLOWABLES
FOR FIVE WELLS IN SAID PROJECT

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8:00 o'clock a.m. on June 24, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 15th day of July, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 by Order No. R-952, the Ibex Company was authorized to institute its Artesia Water Flood Project No. 1, Artesia Pool, Eddy County, New Mexico.
- (3) That Graridge Corporation, operator of said Water Flood Project, seeks an amendment of said Order No. R-952 to establish an administrative procedure whereby additional wells in said Water Flood Project may be converted to water injection without notice and hearing.

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(4) That the applicant, Graridge Corporation, further seeks approval of fifteen (15) unorthodox well locations in said Water Flood Project.

(5) That the applicant further seeks capacity allowables for the following-described wells in said Water Flood Project:

Levers State Well No. 3, SW/4 SW/4 of
Section 4, Township 18 South, Range 28 East

Levers State Well No. 6, SW/4 SW/4 of
Section 4, Township 18 South, Range 28 East

Levers State Well No. 8, NW/4 SW/4 of
Section 4, Township 18 South, Range 28 East

Solt State Welch No. 1, NW/4 SW/4 of
Section 4, Township 18 South, Range 28 East

Cowell State Well No. 2, NE/4 SW/4 of
Section 4, Township 18 South, Range 28 East

all in Eddy County, New Mexico.

(6) That the evidence presented indicates that said Water Flood Project has caused an increase in the producing capacity of the above-described wells to the extent that they are now or soon will be capable of producing in excess of top unit allowable for the Artesia Pool.

(7) That the evidence presented further indicates that waste might occur if production from the above-described wells is restricted.

(8) That the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That Order No. R-952 be and the same is hereby amended to establish an administrative procedure whereby additional wells in the Ibex Company's Artesia Water Flood Project No. 1, Artesia Pool, Eddy County, New Mexico, may be converted to water injection without notice and hearing.

PROVIDED HOWEVER, That no well located in said Water Flood Project shall be eligible for administrative approval for conversion to water injection unless it is established to the satisfaction of the Secretary-Director of the Commission that the proposed water injection well has experienced a substantial response to the Water Flood Project or is directly offset by a producing well which has experienced such response; and that it is located on a water injection pattern which will result in a thorough and efficient sweep of oil by said water flood.

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PROVIDED FURTHER, That to obtain administrative approval for the conversion of any well to water injection, applicant shall submit to the Commission in triplicate a request for such administrative approval, setting forth therein all the facts pertinent to the need for converting additional wells to water injection, and attaching thereto Commission Form C-116, showing production tests of the affected well or wells both before and after stimulation by water flood. Applicant shall also attach plats of the Water Flood Project area and immediate surrounding area, indicating thereon the owner of each lease and the location of all water injection wells and producing wells, and shall submit evidence that a copy of the application to convert additional wells to water injection has been sent to each operator offsetting the proposed injection well.

The Secretary-Director may, if in his opinion there is need for the conversion of additional wells to water injection, authorize said conversion without notice and hearing, provided no offset operator objects to said conversion to water injection within fifteen (15) days. The Secretary-Director may grant immediate approval of the conversion upon receipt of waivers of objection from all operators offsetting the proposed water injection well.

(2) That unorthodox well locations be and the same are hereby approved for the following-described wells located in said Water Flood Project:

Solt State Welch Well No. 2, located 2397 feet from the South line and 256 feet from the West line of Section 4

Solt State Welch Well No. 3, located 2370 feet from the South line and 1050 feet from the West line of Section 4

Solt State Welch Well No. 4, located 1532 feet from the South line and 1019 feet from the West line of Section 4

Solt State Welch Well No. 5, located 1578 feet from the South line and 269 feet from the West line of Section 4

Daughterity State Solt Well No. 2, located 2394 feet from the North line and 1054 feet from the West line of Section 4

Levers State Well No. 9, located 257 feet from the South line and 1581 feet from the East line of Section 4

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Solt State Welch No. 1, NW/4 SW/4 of
Section 4, Township 18 South, Range 28 East

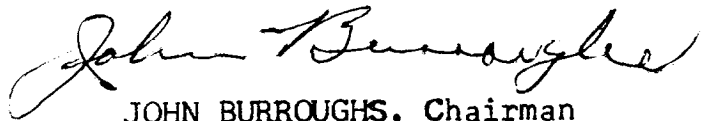
Cowell State Well No. 2, NE/4 SW/4 of
Section 4, Township 18 South, Range 28 East

all in Eddy County, New Mexico.

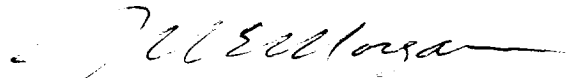
(4) That the Commission hereby retains jurisdiction of this cause to amend all or any part of this order and further to enter any order or orders deemed necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

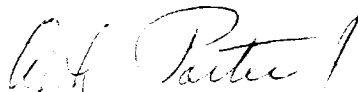
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN BURROUGHS, Chairman



MURRAY E. MORGAN, Member



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

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