

*Entered July 24, 1959  
GEP*

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. 1196  
Order No. R-966-E

APPLICATION OF GRARIDGE CORPO-  
RATION FOR AN ORDER AMENDING  
ORDER NO. R-966 TO APPROVE THE  
CONVERSION OF CERTAIN WELLS IN  
THE ARTESIA WATER FLOOD PROJECTS  
NOS. 2 AND 3 TO WATER INJECTION,  
FOR ESTABLISHMENT OF AN ADMINIS-  
TRATIVE PROCEDURE WHEREBY ADDI-  
TIONAL WELLS MAY BE CONVERTED  
TO WATER INJECTION, FOR APPROVAL  
OF TWENTY-SEVEN UNORTHODOX WELL  
LOCATIONS IN SAID PROJECTS, AND  
FOR CAPACITY ALLOWABLES FOR SIX  
WELLS IN SAID PROJECTS

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-966, and amendments thereto, The Ibex Company was authorized to institute its Artesia Water Flood Projects Nos. 2 and 3, Artesia Pool, Eddy County, New Mexico.

(3) That Graridge Corporation, operator of said Water Flood Projects, seeks an amendment of Order No. R-966 to establish an administrative procedure whereby additional wells in

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said projects may be converted to water injection without notice and hearing.

(4) That the applicant, Graridge Corporation, further seeks an amendment of said Order No. R-966 to authorize the conversion of the following described wells to water injection:

Welch Duke State Well No. 19, NW/4 NW/4  
of Section 28

Welch Duke State Well No. 20, SE/4 NW/4  
of Section 28

Welch Duke State Well No. 21, SE/4 NW/4  
of Section 28

Resler Yates State Well No. 14, SW/4 NE/4  
of Section 28

Resler Yates State Well No. 304, SW/4 NE/4  
of Section 28

Venture State Well No. 305, NE/4 NE/4  
of Section 28

all in Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

(5) That the applicant further seeks approval of twenty-seven (27) unorthodox well locations in said Water Flood Projects.

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

Resler Yates State Well No. 23, SW/4 SE/4  
of Section 21

Lackawana State "A" Well No. 2, NW/4 SE/4  
of Section 21

McNutt State Well No. 9, SW/4 SW/4 of  
Section 21

McNutt State Well No. 10, NE/4 SW/4 of  
Section 21

Welch Duke State Well No. 2, SE/4 NW/4  
of Section 28

all in Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

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(7) That the evidence presented indicates that said Water Flood Projects have 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.

(8) That the evidence presented further indicates that waste might occur if production from the wells described in Finding No. 6 is restricted.

(9) That the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That Order No. R-966 be and the same is hereby amended to establish an administrative procedure whereby additional wells in The Ibex Company's Artesia Water Flood Projects Nos. 2 and 3, 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 Projects 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 Projects 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 floods.

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

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immediate approval of the conversion upon receipt of waivers of objection from all operators offsetting the proposed water injection well.

(2) That the applicant be and the same is hereby authorized to convert immediately the following-described wells to water injection:

Welch Duke State Well No. 19, NW/4 NW/4  
of Section 28

Welch Duke State Well No. 20, SE/4 NW/4  
of Section 28

Welch Duke State Well No. 21, SE/4 NW/4  
of Section 28

Resler Yates State Well No. 14, SW/4 NE/4  
of Section 28

Resler Yates State Well No. 304, SW/4 NE/4  
of Section 28

Venture State Well No. 305, NE/4 NE/4 of  
Section 28

all in Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

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

Venture State Well No. 306, located 820 feet  
from the North line and 1180 feet from the  
East line of Section 28

Resler Yates State Well No. 10, located  
2360 feet from the South line and 250 feet  
from the East line of Section 29

Resler Yates State Well No. 11, located  
2390 feet from the South line and 1570 feet  
from the East line of Section 29

Resler Yates State Well No. 14, located  
2400 feet from the North line and 2380 feet  
from the East line of Section 28

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Resler Yates State Well No. 15, located  
1570 feet from the North line and 1070 feet  
from the East line of Section 29

Resler Yates State Well No. 27, located  
2390 feet from the North line and 1300 feet  
from the East line of Section 28

Resler Yates State Well No. 30, located  
2390 feet from the South line and 1070 feet  
from the East line of Section 21

Resler Yates State Well No. 34, located  
2390 feet from the North line and 250 feet  
from the East line of Section 29

Resler Yates State Well No. 40, located  
1320 feet from the South line and 240 feet  
from the East line of Section 29

Resler Yates State Well No. 43, located  
2400 feet from the North line and 180 feet  
from the East line of Section 28

Resler Yates State Well No. 45, located  
2390 feet from the South line and 230 feet  
from the East line of Section 21

Resler Yates State Well No. 48, located  
240 feet from the South line and 670 feet  
from the East line of Section 29

Resler Yates State Well No. 49, located  
250 feet from the South line and 1570 feet  
from the East line of Section 29

Resler Yates State Well No. 307, located  
1800 feet from the North line and 1220 feet  
from the East line of Section 28

Resler Yates State Well No. 308, located 1780  
feet from the North line and 250 feet from  
the East line of Section 28

Resler Yates State Well No. 12, located  
330 feet from the South line and 200 feet  
from the East line of Section 29

Royal Duke State Well No. 2, located 1570  
feet from the North line and 1580 feet from  
the East line of Section 29

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Lackawana State Well No. 4, located  
1560 feet from the North line and 2280 feet  
from the East line of Section 21

Lackawana State Well No. 5, located  
2390 feet from the North line and 1070 feet  
from the East line of Section 21

Lackawana State Well No. 1-A, located  
252 feet from the South line and 343 feet  
from the West line of Section 21

Lackawana State "A" Well No. 1, located  
1540 feet from the South line and 1540 feet  
from the East line of Section 21

Welch Duke State Well No. 12, located  
950 feet from the North line and 270 feet  
from the West line of Section 28

Welch Duke State Well No. 13, located  
1570 feet from the North line and 260 feet  
from the West line of Section 28

Welch Duke State Well No. 14, located  
2310 feet from the North line and 260 feet  
from the West line of Section 28

Toomey Allen Well No. 10, located 1650 feet  
from the South line and 1330 feet from the  
East line of Section 28

Toomey Allen Well No. 13, located 1350 feet  
from the South line and 2300 feet from the  
East line of Section 28

Toomey Allen Well No. 14, located 1100 feet  
from the South line and 1580 feet from the  
East line of Section 28

all in Township 18 South, Range 28 East, NM&M, Eddy County, New  
Mexico.

(4) That the following-described wells be granted an  
allowable equal to their capacity to produce:

Resier Yates State Well No. 23, SW/4 SE/4  
of Section 21

Lackawana State "A" Well No. 2, NW/4 SE/4  
of Section 21

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McNutt State Well No. 9, SW/4 SW/4 of  
Section 21

McNutt State Well No. 10, NE/4 SW/4 of  
Section 21

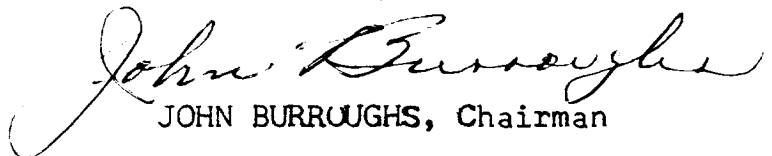
Welch Duke State Well No. 2, SE/4 NW/4  
of Section 20

all in Township 18 South, Range 28 East, NMPM, Eddy County, New  
Mexico.

(5) 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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