

Entered October 29, 1958
A.L.D.

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. 1225
Order No. R-975-C

APPLICATION OF MOAB DRILLING COMPANY
FOR PERMISSION TO EXPAND AN EXISTING
WATER FLOOD PROJECT IN THE HIGH LONE-
SOME POOL, EDDY COUNTY, NEW MEXICO,
BY THE DRILLING OF A WATER INJECTION
WELL ON AN UNORTHODOX LOCATION AND FOR
THE ESTABLISHMENT OF A PROCEDURE WHEREBY
FOUR ADDITIONAL INJECTION WELLS MAY BE
DRILLED ON UNORTHODOX LOCATIONS AFTER
ADMINISTRATIVE APPROVAL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 2, 1958, 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 25th day of October, 1958, 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 the Commission by Order No. R-975 authorized the applicant, Moab Drilling Company, to institute a pilot water flood project in the High Lonesome Pool, Eddy County, New Mexico, and that expansion of said project was authorized by Order No. R-975-B.

(3) That the applicant seeks an order authorizing it to expand the above-mentioned pilot water flood project by drilling a water injection well 1310 feet from the North line and 2630 feet from the West line of Section 15, Township 16 South, Range 29 East, NMPM, Eddy County, New Mexico, said well to be known as the Davis-Federal Well No. 11-W.

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(4) That it is in the best interest of conservation to permit the drilling of said Davis-Federal Well No. 11-W as a water injection well.

(5) That the applicant further proposes that it be authorized to drill the following-described water injection wells on unorthodox locations in said project without notice and hearing, subject to administrative approval by the Commission:

Davis-Federal Well No. 1-W; 10 feet from the North line and 2630 feet from the West line of Section 15.

Davis-Federal Well No. 2-W; 10 feet from the North line and 1310 feet from the West line of Section 15.

Skelly-State Well No. 15-W; 1310 feet from the North line and 2630 feet from the West line of Section 16.

Skelly-State Well No. 25-W; 2630 feet from the North line and 2630 feet from the West line of Section 16,

all in Township 16 South, Range 29 East, NMPM, Eddy County, New Mexico.

(6) That administrative approval for the drilling of any of the water injection wells described in Finding No. (5) should be granted only when it is established to the satisfaction of the Secretary-Director that a producing well offsetting the proposed location of the water injection well has experienced a substantial response to the water flood project.

IT IS THEREFORE ORDERED:

(1) That Moab Drilling Company be and the same is hereby authorized to drill the Davis-Federal Well No. 11-W as a water injection well to be located 1310 feet from the North line and 2630 feet from the West line of Section 15, Township 16 South, Range 29 East, NMPM, Eddy County, New Mexico.

(2) That Moab Drilling Company be and the same is hereby authorized to drill the following-described water injection wells on unorthodox locations subject to administrative approval by the Commission:

Davis-Federal Well No. 1-W; 10 feet from the North line and 2630 feet from the West line of Section 15.

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Davis-Federal Well No. 2-W; 10 feet from the North line and 1310 feet from the West line of Section 15.

Skelly-State Well No. 15-W; 1310 feet from the North line and 2630 feet from the West line of Section 16.

Skelly-State Well No. 25-W; 2630 feet from the North line and 2630 feet from the West line of Section 16,

all in Township 16 South, Range 29 East, NMPM, Eddy County, New Mexico.

PROVIDED HOWEVER, That administrative approval for the drilling of any of the above-described water injection wells shall be granted only when it is established to the satisfaction of the Secretary-Director that a producing well offsetting the proposed location of the water injection well has experienced a substantial response to the water flood project.

PROVIDED FURTHER, That to obtain administrative approval for the drilling of a water injection well, 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 expansion of the water flood, 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 expand the water flood project area has been sent to each operator offsetting the proposed expansion.

The Secretary-Director of the Commission may, if in his opinion there is need for the expansion of the water flood project area, authorize said expansion without notice and hearing, provided no offset operator objects to said expansion within fifteen (15) days. The Secretary-Director may grant immediate approval of the

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expansion upon receipt of waivers of objection from all operators offsetting the proposed expansion.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


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

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