OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

May 24, 1971

COPY

Agua, Inc.
P. O. Box 1978
Hobbs, New Mexico

Gentlemen:

Enclosed herewith please find Administrative Order No. 356 for your Unit Well No. 4-34 located in Unit D of Section 34, Township 14 South, Range 31 East, Unit Well No. 2-3 located in Unit B, of Section 3, and Unit Well No. 4-3 located in Unit D of Section 3, both in Township 15 South, Range 31 East, NMPM.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/og

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

APPLICATION OF AGUA, INC. TO EXPAND ITS EASTCAP QUEEN UNIT WATER FLOOD PROJECT IN THE CAPROCK-QUEEN POOL IN CHAVES COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER
WFX NO. 356

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 701, Agua, Inc., has made application to the Commission on April 26, 1971, for permission to expand its Eastcap Queen Unit Water Flood Project in the Caprock-Queen Pool, Chaves County, New Mexico.

NOW, on this 21st day of May, 1971, the Secretary-Director finds:

1. That application has been filed in due form.

2. That satisfactory information has been provided that all offset operators have been duly notified of the application.

3. That no objection has been received within the waiting period as prescribed by Rule 701.

4. That the proposed injection wells are eligible for conversion to water injection under the terms of Rule 701.

5. That the proposed expansion of the above-referenced water flood project will not cause waste nor impair correlative rights.

6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Agua, Inc., be and the same is hereby authorized to inject water into the Queen formation through the following described wells for purposes of secondary recovery, to wit:

Unit Well No. 4-34 located in Unit D of Section 34, Township 14 South, Range 31 East, Unit Well No. 2-3 located in Unit B, of Section 3, and Unit Well No. 4-3 located in Unit D of Section 3, both in Township 15 South, Range 31 East, NMPM.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A. L. PORTER, Jr.,
Secretary-Director

SEAL