Entered Sanuary 16, 1958

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 1368 Order No. R-1110

APPLICATION OF AMBASSADOR OIL CORPORATION FOR AN ORDER AUTHORIZING A PILOT WATER FLOOD PROJECT IN THE SQUARE LAKE POOL, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 7, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this $/5^{th}$ day of January, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner Daniel S. Nutter, 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, Ambassador Oil Corporation, proposes to institute a pilot water flood project in the Square Lake Pool to inject water into the Lower Grayburg and the Upper San Andres formations through six converted oil wells located in Sections 29, 30, and 32, of Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That the proposed pilot water injection project will not adversely affect the interests of any other operators in the Square Lake Pool.

(4) That the proposed project will promote conservation and tend to prevent waste through the production of oil which might not otherwise be recovered.

(5) That the progress of the project should be periodically reported to the Commission.

IT IS THEREFORE ORDERED:

(1) That the application of Ambassador Oil Corporation for permission to institute a pilot water flood project in the

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Lower Grayburg and the Upper San Andres formations in the Square Lake Pool, Eddy County, New Mexico, for the purpose of secondary recovery be and the same is hereby approved.

(2) That the following wells be and the same are hereby authorized as water injection wells for the above-described project:

Ambassador-Carper Bruning Well No. 1SW/4 NW/4 Section 29Ambassador-Texas Trading Grier Well No. 1-SW/4 SW/4 Section 29Ambassador-Texas Trading Grier Well No. 1-NE/4 SW/4 Section 29Ambassador-Carper Wheatley Well No. 1-SW/4 SE/4 Section 29Ambassador-Fidel Grier Well No. 2-NE/4 SE/4 Section 30Ambassador-Texas Trading State Well No. 3-NE/4 NW/4 Section 32

all in Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That monthly progress reports on the water flood project herein authorized shall be submitted to the Commission in accordance with Rule 704 and Rule 1119 of the Commission Rules and Regulations.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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EDWIN L. MECHEM, Chairman

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MURRAY E. MORGAN, Member

U.T. Lettes

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

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