Enter 7/4 23, 1961 (C.J.P.

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. 2267 Order No. R-1980

APPLICATION OF BYARD BENNETT FOR PERMISSION TO INSTITUTE A WATERFLOOD PROJECT IN THE CAPROCK-QUEEN POOL, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 4, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 <u>17th</u> day of May, 1961, 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, Byard Bennett, seeks permission to institute a waterflood project in the Caprock-Queen Pool in an area comprising the E/2 SE/4 of Section 20 and the SW/4 of Section 21, all in Township 14 South, Range 31 East, NMPM, Chaves County, New Mexico, by the injection of water into the Stella Zimmerman Well No. 2, located in the SE/4 SE/4 of said Section 20.

(3) That a majority of the producing wells in the area to be waterflooded have reached an advanced state of depletion and are properly to be classified as "stripper" wells.

(4) That the proposed waterflood project should be authorized and should be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables and expansion of the project area, provided however, that injection of water should not be commenced until such time as further administrative approval has been obtained from the Secretary-Director of the Commission. -2-CASE No. 2267 Order No. R-1980

(5) That a procedure should be established for obtaining administrative approval to convert to injection wells the Stella Zimmerman "A" Well No. 1, located in the SE/4 SW/4 of said Section 21 and the Stella Zimmerman "A" Well No. 4, located in the NW/4 SW/4 of said Section 21.

IT IS THEREFORE ORDERED:

(1) That the applicant, Byard Bennett, is hereby authorized to institute a waterflood project in the Caprock-Queen Pool in an area comprising the E/2 SE/4 of Section 20 and the SW/4 of Section 21, all in Township 14 South, Range 31 East, NMPM, Chaves County, New Mexico, by the injection of water into the Stella Zimmerman Well No. 2, located in the SE/4 SE/4 of said Section 20.

(2) That injection of water shall not be commenced until such time as further approval has been obtained from the Secretary-Director of the Commission upon application to the Secretary-Director and notice to offset operators.

(3) That the Stella Zimmerman "A" Well No. 1, located in the SE/4 SW/4 of said Section 21 and the Stella Zimmerman "A" Well No. 4, located in the NW/4 SW/4 of said Section 21, may be converted to water injection wells upon receiving administrative approval from the Secretary-Director of the Commission.

(4) That the operation of the waterflood project shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables and expansion of the project area, except as provided for in Paragraph 3 above.

(5) That monthly progress reports on the waterflood project shall be submitted to the Commission in accordance with Rule 701 and Rule 1119 of the Commission Rules and Regulations.

(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION S S L. MECHEM, Chairman

SEAL

L. PORTER, Jr., Member & Secretary

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