BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE No. 2769 Order No. R-2448

APPLICATION OF CITIES SERVICE OIL COMPANY FOR THREE WATER INJECTION WELLS, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 7, 1963, 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 13th day of March, 1963, 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, Cities Service Oil Company, is the operator of the Drickey Queen Sand Unit which comprises, in part, a portion of Section 16, Township 14 South, Range 31 East, NMPM, Caprock-Queen Pool, Chaves, County, New Mexico.

(3) That, by Order No. R-1128 and subsequent orders, the Commission authorized Cities Service Oil Company to conduct the Drickey Queen Sand Unit Waterflood Project in Township 14 South, Range 31 East, NMPM, Chaves County, New Mexico.

(4) That the applicant seeks authority to expand said waterflood project by converting to water injection the following-described wells located in Section 16, Township 14 South, Range 31 East, NMPM, Chaves County, New Mexico:

Drickey Queen Sand Unit Tract 34 Well No. 1, located in Unit B of Section 16;

Drickey Queen Sand Unit Tract 36 Well No. 1, located in Unit P of Section 16. -2-CASE No. 2769 Order No. R-2448

(5) That the applicant also seeks authority to drill the following-described well for water injection in Section 16, Town-ship 14 South, Range 31 East, NMPM, Chaves County, New Mexico:

Drickey Queen Sand Unit Tract 33 Well No. 2-W, to be located 1325 feet from the South line and 1325 feet from the West line of Section 16.

(6) That the portion of Section 16, Township 14 South, Range 31 East, NMPM, Chaves County, New Mexico, that is included within the Drickey Queen Sand Unit Area is offset on all sides by waterflood projects.

(7) That the applicant has entered into Line Well Agreements with the operators of all of the said offsetting waterflood projects.

(8) That Line Well Agreements provide for water injection through the three subject wells.

(9) That approval of the subject application is necessary in order to protect correlative rights and prevent waste.

IT IS THEREFORE ORDERED:

(1) That the applicant, Cities Service Oil Company, is hereby authorized to expand its Drickey Queen Sand Unit Waterflood Project by converting to water injection the followingdescribed wells located in Section 16, Township 14 South, Range 31 East, NMPM, Chaves County, New Mexico.

Drickey Queen Sand Unit Tract 34 Well No. 1, located in Unit B of Section 16;

Drickey Queen Sand Unit Tract 36 Well No. 1, located in Unit P of Section 16.

(2) That the applicant, Cities Service Oil Company, is hereby authorized to expand its Drickey Queen Sand Unit Waterflood Project by drilling the following-described well for water injection in Section 16, Township 14 South, Range 31 East, NMPM, Chaves County, New Mexico:

Drickey Queen Sand Unit Tract 33 Well No. 2-W, to be located 1325 feet from the South line and 1325 feet from the West line of Section 16.

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

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

ACK M. CAMPBELL, Chairman

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

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