Entered July 12, 1963

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. 2803 Order No. R-2495

APPLICATION OF J. R. CONE FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 15, 1963, at Roswell, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>llth</u> day of June, 1963, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 Cone Jalmat Yates Pool Unit Agreement has been approved by the Commission by Order No. R-2494; that the Cone Jalmat Yates Pool Unit Area comprises 1,760 acres, more or less, of State land in Township 22 South, Range 35 East, NMPM, Lea County, New Mexico, as more fully described in said order.

(3) That the applicant, J. R. Cone, seeks permission to institute a waterflood project in the Jalmat Pool in the Cone Jalmat Yates Pool Unit Area by the injection of water into the Yates formation through four wells located within said unit area.

(4) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(5) That the proposed waterflood project is in the interest of conservation and should result in recovery of otherwise unrecoverable oil, thereby preventing waste. -2-CASE No. 2803 Order No. R-2495

(6) That the subject application should be approved and the project should be governed by the provisions of Rule 701 of the Commission Rules and Regulations.

(7) That all water injection should be through tubing under a packer; provided however, that selective water injection into more than one sand in wells which are equipped with less than 5 1/2-inch pipe may be through one string of tubing under a packer and through the casing-tubing annulus if the casing is perforated and squeeze-cemented from total depth to the surface casing shoe.

IT IS THEREFORE ORDERED:

(1) That the applicant, J. R. Cone, is hereby authorized to institute a waterflood project in the Jalmat Pool in the Cone Jalmat Yates Pool Unit Area by the injection of water into the Yates formation through the following-described four wells in Township 22 South, Range 35 East, NMPM, Lea County, New Mexico:

J.	R.	Cone	Nix	State	Well	No.	4,	Unit	J,	Section	13
J.	R.	Cone	Nix	State	Well	NO.	5,	Unit	L,	Section	13
J.	R.	Cone	Nix	State	Well	No.	9,	Unit	N,	Section	13
J.	R.	Cone	Nix	State	Well	No.	7,	Unit	D,	Section	24

(2) That all water injection shall be through tubing under a packer; provided however, that selective water injection into more than one sand in wells which are equipped with less than 5 1/2-inch pipe may be through one string of tubing under a packer and through the casing-tubing annulus if the casing is perforated and squeeze-cemented from total depth to the surface casing shoe.

(3) That the subject waterflood project shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including the allowable provisions thereof, and including the provisions with respect to expansion of the waterflood project.

(4) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1119 of the Commission Rules and Regulations.

(5) 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

E. S. WALKER, Member arter th

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

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