

Entered March 31, 1964
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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. 3005
Order No. R-2672

APPLICATION OF AMBASSADOR OIL CORPORATION
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 March 11, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of March, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 Pearsall Queen Sand Unit Agreement has been approved by the Commission by Order No. R-2669; that the Pearsall Queen Sand Unit Area comprises 960 acres, more or less, of State and Federal land in Townships 17 and 18 South, Range 32 East, NMPM, Lea County, New Mexico, as more fully described in said order.

(3) That the applicant, Ambassador Oil Corporation, seeks permission to institute a waterflood project in the Pearsall (Queen) Pool in the Pearsall Queen Sand Unit Area by the injection of water into the Queen formation through five wells located within said unit area.

(4) That the project area is in an advanced state of depletion and the majority of the wells therein 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.

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(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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Ambassador Oil Corporation, is hereby authorized to institute a waterflood project in the Pearsall (Queen) Pool in the Pearsall Queen Sand Unit Area by the injection of water into the Queen formation through tubing and packer set immediately above the pay zone in the following-described five wells:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
LEA COUNTY, NEW MEXICO

Section 4

Well No. 4A-1, located in the SW/4 NW/4
Well No. 4-2, located in the NE/4 NW/4

Section 5

Well No. 1-2, located in the SW/4 NE/4
Well No. 3-1, located in the NE/4 NE/4
Well No. 9-1, located in the NE/4 SE/4

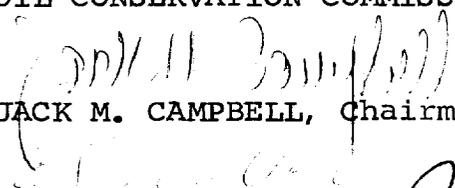
(2) That the subject waterflood project shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including the allowable provisions thereof, and including the provisions with respect to expansion of the waterflood project.

(3) 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.

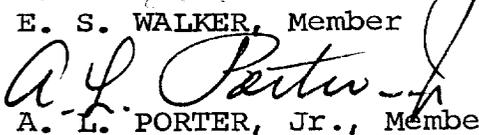
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


E. S. WALKER, Member


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

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