

Entered December 3, 1965
D.S.

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. 3342
Order No. R-3012

APPLICATION OF SUNRAY DX OIL COMPANY
FOR A WATERFLOOD PROJECT, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 23, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 3rd day of December, 1965, 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 applicant, Sunray DX Oil Company, seeks permission to institute a waterflood project in the Grayburg-Jackson Pool by the injection of water into the Keeley zone of the San Andres formation through four injection wells in Sections 22 and 23, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.
- (3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.
- (5) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

-2-

CASE No. 3342
Order No. R-3012

IT IS THEREFORE ORDERED:

(1) That the applicant, Sunray DX Oil Company, is hereby authorized to institute a waterflood project in the Grayburg-Jackson Pool by the injection of water into the Keeley zone of the San Andres formation through the following-described wells in Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico:

Sunray DX Dodd A Well No. 10, Unit A of Section 22;
Sunray DX Dodd A Well No. 9, Unit G of Section 22;
Sunray DX Dodd A Well No. 11, Unit I of Section 22;
and General American Burch C Well No. 1, Unit E of
Section 23.

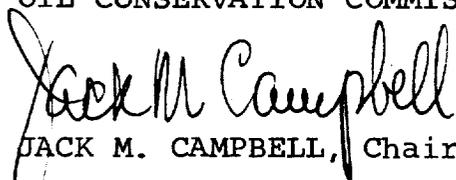
(2) That the subject waterflood project is hereby designated the SDX Keeley Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 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


GUYTON B. HAYS, Member


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

S E A L

esr/