Entered July 11, 1966 iils.

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. 3419 Order No. R-3090

APPLICATION OF B. M. JACKSON FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 29, 1966, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>llth</u> day of July, 1966, 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, B. M. Jackson, seeks permission to institute a waterflood project in the Pearsall-Queen Pool by the injection of water into the Queen formation through her Federal Well No. 2, located in Unit H of Section 4, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico.

(3) That the producing well in the project area is not in an advanced state of depletion and cannot properly be classified as a "stripper" well.

(4) That the applicant's acreage is offset by an active waterflood project on the north and west, and in order to protect applicant's correlative rights, applicant should be permitted to institute the proposed waterflood project to "back-up" the water injection to the north and west.

-2-CASE No. 3419 Order No. R-3090

(5) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) 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.

IT IS THEREFORE ORDERED:

(1) That the applicant, B. M. Jackson, is hereby authorized to institute a waterflood project in the Pearsall-Queen Pool by the injection of water into the Queen formation through her Federal Well No. 2, located in Unit H of Section 4, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico.

(2) That the subject waterflood project is hereby designated the Pearsall-Jackson 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 IL CONSERVATION COMMISSION B.Ho . HAYS, Member GUYTON B 11 1 L. PORTER, Jr., Member & Secretary

SEAL

esr/