

*Entered September 12, 1966
C.L.P.*

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. 3450
Order No. R-3112

APPLICATION OF RAY SMITH DRILLING
COMPANY FOR A WATERFLOOD PROJECT,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 7, 1966, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 12th day of September, 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, Ray Smith Drilling Company, seeks permission to institute a waterflood project in the Shugart 18-Queen Unit Area, Shugart Pool, by the injection of water into the Queen formation through three injection wells in Section 13, Township 18 South, Range 30 East, and Section 18, Township 18 South, Range 31 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.

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(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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Ray Smith Drilling Company, is hereby authorized to institute a waterflood project in the Shugart 18-Queen Unit Area, Shugart Pool, by the injection of water into the Queen formation through the following-described wells in Eddy County, New Mexico:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Ray Smith-Canfield Federal Well No. 1,
Unit I of Section 13

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Ray Smith-Kenwood Federal "A" Well
No. 1, Unit E of Section 18
Ray Smith-Kenwood Federal Well No. 2,
Unit N of Section 18

(2) That the subject waterflood project is hereby designated the Shugart 18-Queen Waterflood project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

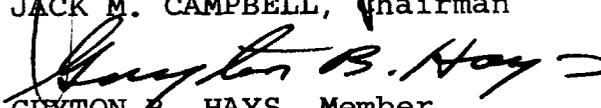
(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(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

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