

*Entered July 19, 1972
R.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. 4750
Order No. R-3134-A

APPLICATION OF CITIES SERVICE
OIL COMPANY FOR AN UNORTHODOX
LOCATION, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 28, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 19th day of July, 1972, 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, Cities Service Oil Company, is the operator of the Southeast Maljamar Grayburg-San Andres Unit Waterflood Project, Maljamar Pool, Lea County, New Mexico.
- (3) That the applicant seeks authority to drill a well at an unorthodox location 1155 feet from the South line and 1385 feet from the East line of Section 29, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico, as a producing well in said Southeast Maljamar Grayburg-San Andres Unit Waterflood Project.
- (4) That the proposed unorthodox location is necessary to provide an efficient oil producing pattern.
- (5) That the applicant also seeks the establishment of an administrative procedure whereby the Secretary-Director of the Commission may authorize additional producing wells and injection wells at orthodox and unorthodox locations within said Southeast Maljamar Grayburg-San Andres Unit Waterflood Project area as may be necessary to complete an efficient production and injection pattern.

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(6) That approval of the requested administrative procedure will afford the applicant the opportunity to produce its just and equitable share of the oil in the Maljamar Pool, provided said wells are drilled no closer than 330 feet to the outer boundary of the above-described unit area nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary.

(7) That the subject waterflood project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations, provided however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

(1) That the applicant, Cities Service Oil Company, is hereby authorized to drill a well at an unorthodox location 1155 feet from the South line and 1385 feet from the East line of Section 29, Township 17 South, Range 33 East, NMPM, Maljamar Pool, Lea County, New Mexico, as a producing well in its Southeast Maljamar Grayburg-San Andres Unit Waterflood Project.

(2) That Order (2) of Order No. R-3134 is hereby amended to read in its entirety as follows:

"(2) That the subject waterflood project shall continue to be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

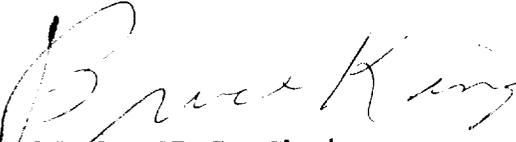
PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve such additional producing wells and injection wells at orthodox and unorthodox locations within the Southeast Maljamar Grayburg-San Andres Unit Waterflood Project area as may be necessary to complete an efficient production and injection pattern, provided said wells are drilled no closer than 330 feet to the outer boundary of the Southeast Maljamar Grayburg-San Andres Unit Area nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary, and provided that the application therefor has been filed in accordance with Rule 701 B of the Commission Rules and Regulations, and provided that the application has been sent to all offset operators, if any there be, and no such operator has objected within 15 days. The showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection."

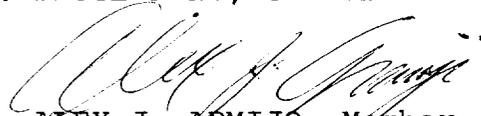
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

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