Contentioning 1, 1967

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. 3521 Order No. R-3185

APPLICATION OF SINCLAIR OIL & GAS COMPANY FOR THREE WATERFLOOD PROJ-ECTS, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 25, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>lst</u> day of February, 1967, 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, Sinclair Oil & Gas Company, seeks authority to institute three waterflood projects in the Grayburg-Jackson Pool by the injection of water into the Grayburg-San Andres formations through two wells on its C. A. Russell Lease, eight wells on its Turner "A" Lease, and nine wells on its Turner "B" Lease in Sections 17, 18, 19, and 20, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That the applicant also seeks an administrative procedure whereby said projects could be expanded to include additional lands and injection wells in the area of said projects as may be necessary in order to complete an efficient injection pattern.

(4) That the wells in each of the project areas are in an advanced state of depletion and should properly be classified as "stripper" wells.

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

(6) That the subject application should be approved and the projects 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, Sinclair Oil & Gas Company, is hereby authorized to institute three waterflood projects in the Grayburg-Jackson Pool by the injection of water into the Grayburg-San Andres formations through the following-described 19 wells in Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico:

Sinclair Russell Grayburg-Jackson Waterflood Project

Injection wells:

C.	Α.	Russell	Well	No.	6	979 '	FNL	&	1400'	FWL	Section	18
С.	Α.	Russell	Well	No.	10	2147'	FNL	&	2374'	FWL	Section	18

Sinclair Turner "A" Grayburg-Jackson Waterflood Project

Injection wells:

Turner	"A"	SP	Well	No.	2	2	220'	FSL	&	427 '	FWL	Section	18
Turner	"A "	SP	Well	No.	5		332 '	FNL	&	670'	FWL	Section	19
Turner	"A "	SP	Well	No.	6		568'	FSL	&	1707'	FWL	Section	18
Turner	"A "	SP	Well	No.	9		408 '	FNL	&	1994 '	FEL	Section	19
Turner	"A "	SP	Well	No.	10	1	940'	FSL	&	1839'	FEL	S ection	18
Turner	"A"	\mathbf{SP}	Well	No.	11		589'	FSL	&	655'	FEL	Section	18
Turner	"A "	SP	Well	No.	15	1	635 '	FNL	&	1698'	FWL	Section	19
Turner	"A "	SP	Well	No.	35		700 '	FEL	&	1840'	FNL	S ection	19

Sinclair Turner "B" Grayburg-Jackson Waterflood Project

Injection wells:

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

<u>PROVIDED HOWEVER</u>, that the Secretary-Director of the Commission may approve expansion of said projects to include such additional lands and injection wells in the area of said projects as may be necessary to complete an efficient water injection pattern.

(3) That monthly progress reports of the waterflood projects 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 DAVID F. CARGO, Chair nan Member Member & Secretary PORTER

SEAL

esr/

