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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. 3532 Order No. R-3199

APPLICATION OF HENRY S. BIRDSEYE FOR A WATERFLOOD PROJECT, MCKINLEY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 21, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>23rd</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, Henry S. Birdseye, seeks permission to institute a waterflood project in the Chaco Wash-Mesaverde Oil Pool by the injection of water into the Menefee zone of the Mesaverde formation through his Birdseye-Santa Fe Well No. I-1 to be located 360 feet from the South line and 360 feet from the East line of Section 21, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico.

(3) That the applicant further seeks an administrative procedure whereby the Secretary-Director of the Commission is authorized to approve expansion of said project and the drilling of additional injection wells and producing wells at unorthodox locations.

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

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(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, Henry S. Birdseye, is hereby authorized to institute a waterflood project in the Chaco Wash-Mesaverde Oil Pool by the injection of water into the Menefee zone of the Mesaverde formation through his Birdseye-Santa Fe Well No. I-1 to be located 360 feet from the South line and 360 feet from the East line of Section 21, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico.

(2) That the subject waterflood project is hereby designated the Birdseye Chaco Wash Waterflood Project and 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 the Birdseye Chaco Wash Waterflood Project and the drilling of such other additional injection wells and producing wells at unorthodox locations as may be necessary to complete an efficient water injection pattern, provided that the application therefor has been filed in accordance with Rule 701 B of the Commission Rules and Regulations, and provided further, that a copy of the application has been sent to all offset operators and no such operator has objected within 15 days.

(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 CONSERVATION COMMISSION OIL CARGO, rman DAVID F. HAYS; GUYTON B. mber But ħ. A. L. PORTER, Jr, Member & Secretary

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