

*Entered March 14, 1967*  
*Q.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. 3534  
Order No. R-3204

APPLICATION OF NEWMONT OIL COMPANY  
FOR A WATERFLOOD EXPANSION AND UNOR-  
THODOX WELL LOCATIONS, EDDY COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 8, 1967,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of March, 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, Newmont Oil Company, seeks authority  
to expand its West Grayburg No. 4 Sand Waterflood Project in the  
Loco Hills Pool by drilling a water injection well at an unortho-  
dox location 175 feet from the South line and 1500 feet from the  
East line of Section 10 for the injection of water into the  
Grayburg formation, and further, to drill two production wells  
at unorthodox locations 2600 feet from the North line and 1200  
feet from the West line of Section 10, and 1190 feet from the  
North line and 150 feet from the East line of Section 11, all in  
Township 18 South, Range 29 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.

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(4) That the proposed non-standard locations are necessary to complete an efficient water injection and oil production pattern.

(5) That the proposed expansion of the West Grayburg No. 4 Sand Waterflood Project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) That the subject application should be approved and the expanded 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, Newmont Oil Company, is hereby authorized to expand its West Grayburg No. 4 Sand Waterflood Project in the Loco Hills Pool by drilling the following well at an unorthodox location in Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico:

West Loco Hills Unit Well No. 17-11, a water injection well for the injection of water into the Grayburg formation, to be located 175 feet from the South line and 1500 feet from the East line of Section 10.

(2) That the applicant is hereby authorized to drill the following wells at unorthodox locations in Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico:

West Loco Hills Unit Well No. 8A-3, a production well, to be located 2600 feet from the North line and 1200 feet from the West line of Section 10.

West Loco Hills Unit Well No. 37-3, a production well, to be located 1190 feet from the North line and 150 feet from the East line of Section 11.

(3) That the expanded waterflood project shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(4) That monthly progress reports of the expanded waterflood project herein authorized shall be submitted to the Commission in

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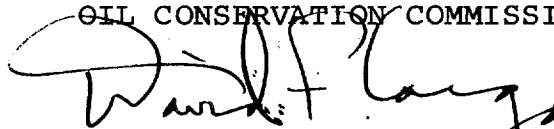
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accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

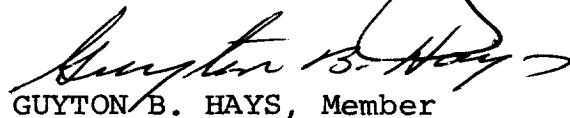
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



DAVID F. CARGO, Chairman



GUYTON B. HAYS, Member



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

S E A L

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