

Entered March 17, 1967
A.S.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. 3539
Order No. R-3208

APPLICATION OF SKELLY OIL COMPANY
FOR A WATERFLOOD PROJECT, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 15, 1967, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 17th day of March, 1967, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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, Skelly Oil Company, seeks permission to institute a waterflood project in the Skelly Penrose "A" Unit Area, Langlie-Mattix Pool, by the injection of water into the Penrose Sand of the Queen formation through 30 injection wells in Sections 33 and 34, Township 22 South, Range 37 East, NMPM, and Sections 3, 4, 9, and 10, Township 23 South, Range 37 East, NMPM, Lea 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.

(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, Skelly Oil Company, is hereby authorized to institute a waterflood project in the Skelly Penrose "A" Unit Area, Langlie-Mattix Pool, by the injection of water into the Penrose Sand of the Queen formation through the following-described 30 wells in Lea County, New Mexico:

<u>OPERATOR</u>	<u>LEASE</u>	<u>WELL NO.</u>	<u>UNIT</u>	<u>SECTION</u>	<u>TOWNSHIP</u>	<u>RANGE</u>
Skelly	King "A"	2	L	33	22 South	37 East
Skelly	King "A"	3	N	33	22 South	37 East
Skelly	H. O. Sims	5	J	33	22 South	37 East
Skelly	H. O. Sims	15	P	33	22 South	37 East
Skelly	H. O. Sims	9	L	34	22 South	37 East
Skelly	H. O. Sims	8	N	34	22 South	37 East
Skelly	E. Sims	5	B	3	23 South	37 East
Skelly	H. O. Sims	4	D	3	23 South	37 East
Skelly	Sims "D"	1	F	3	23 South	37 East
Skelly	R. R. Sims	5	L	3	23 South	37 East
Skelly	Sims "C"	1	N	3	23 South	37 East
Skelly	E. Sims	1	J	3	23 South	37 East
Skelly	E. Sims	3	P	3	23 South	37 East
Skelly	H. O. Sims	13	B	4	23 South	37 East
Skelly	H. O. Sims	2	H	4	23 South	37 East
Skelly	A. L. King	1	F	4	23 South	37 East
Samedan	Hughes "A-1"	6	L	4	23 South	37 East
Samedan	Hughes "A-1"	2	J	4	23 South	37 East
Skelly	R. R. Sims	1	P	4	23 South	37 East
Skelly	R. R. Sims	4	N	4	23 South	37 East
Skelly	G. W. Sims	3	B	9	23 South	37 East
Skelly	G. W. Sims	7	H	9	23 South	37 East
Samedan	Hughes "A-2"	7	J	9	23 South	37 East
Samedan	Hughes "A-2"	8	P	9	23 South	37 East
Skelly	G. W. Sims	4	D	10	23 South	37 East
Skelly	G. W. Sims	5	F	10	23 South	37 East
Skelly	G. W. Sims	6	B	10	23 South	37 East
Skelly	W. P. Sims	2	H	10	23 South	37 East
Samedan	Hughes "A-2"	11	L	10	23 South	37 East
Samedan	Hughes "A-2"	4	J	10	23 South	37 East

(2) That the subject waterflood project is hereby designated the Skelly Penrose "A" Waterflood Project and shall be governed

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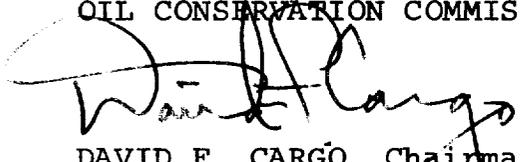
by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

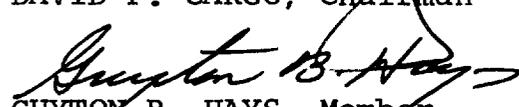
(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

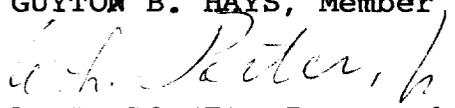
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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

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