

Entered June 5, 1967
Q.V.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. 3590
Order No. R-3253

APPLICATION OF TEXACO INC.
FOR A PILOT WATERFLOOD PROJECT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 24, 1967,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 5th day of June, 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, Texaco Inc., seeks permission to
institute a pilot waterflood project in the Lazy J-Pennsylvanian
pool by the injection of water into the Pennsylvanian formation
in the interval from 9612 feet to 9800 feet in its State "BV"
Well No. 1, located in Unit E of Section 26, Township 13 South,
Range 33 East, NMPM, Lea County, New Mexico.
- (3) That this case was advertised as a proposal to inject
water into the interval from 9650 feet to 9800 feet in the subject
well.
- (4) That the wells in the project area are in an advanced
state of depletion and should properly be classified as "stripper"
wells.
- (5) That the proposed pilot waterflood project should result
in the recovery of otherwise unrecoverable oil, thereby preventing
waste.

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(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, provided the applicant furnishes to the Commission written waivers from all operators owning leases within one-half mile of the proposed injection well waiving objection to the injection of water into the proposed injection interval.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to institute a pilot waterflood project in the Lazy J-Pennsylvanian Pool by the injection of water into the Pennsylvanian formation in the interval from 9612 feet to 9800 feet in its State "BV" Well No. 1, located in Unit E of Section 26, Township 13 South, Range 33 East, NMPM, Lea County, New Mexico;

PROVIDED HOWEVER, that the applicant shall furnish to the Commission written waivers from all operators owning leases within one-half mile of the proposed injection well waiving objection to the injection of water into said interval;

PROVIDED FURTHER, that in the absence of furnishing the aforementioned waivers, injection of water shall be limited to the interval from 9650 feet to 9800 feet in said State "BV" Well No. 1.

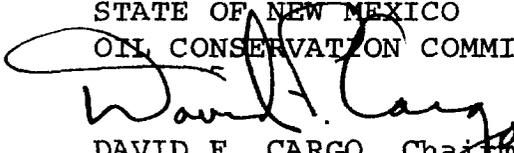
(2) That the subject pilot waterflood project is hereby designated the Texaco BV Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

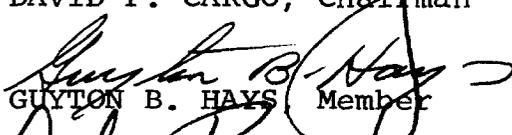
(3) That monthly progress reports of the pilot waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(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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