

*Entered August 1, 1968
A.H.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. 3813
Order No. R-3461

APPLICATION OF TENNECO OIL COMPANY
FOR A WATERFLOOD PROJECT, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 24, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 1st day of August, 1968, 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, Tenneco Oil Company, seeks permission to institute a waterflood project in its Southwest Henshaw (Premier) Unit Area, West Henshaw-Grayburg Pool, by the injection of water into the Premier sand of the Grayburg formation through nine injection wells in Sections 7, 8, 17, 18, and 19, Township 16 South, Range 30 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.

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

-2-

CASE No. 3813
Order No. R-3461

(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, Tenneco Oil Company, is hereby authorized to institute a waterflood project in its Southwest Henshaw (Premier) Unit Area, West Henshaw-Grayburg Pool, by the injection of water into the Premier sand of the Grayburg formation through the following-described wells in Township 16 South, Range 30 East, NMPM, Eddy County, New Mexico:

<u>LEASE</u>	<u>WELL NO.</u>	<u>UNIT</u>	<u>SECTION</u>
Tenneco Oil Co. Hagerty Federal	7	J	7
Mobil Oil Corp. Federal "D"	3	O	8
Mobil Oil Corp. Federal "D"	2	D	17
Mobil Oil Corp. Federal "D"	8	L	17
Tenneco Oil Co. Hagerty Federal	12	B	18
Tenneco Oil Co. Hagerty Federal	11	J	18
Tenneco Oil Co. Hagerty Federal	4	N	18
Tenneco Oil Co. Hagerty Federal	5	P	18
Tenneco Oil Co. Hagerty Federal	3	B	19

(2) That the subject waterflood project is hereby designated the Tenneco Southwest Henshaw Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, That the Secretary-Director of the Commission may approve expansion of the Tenneco Southwest Henshaw Waterflood Project to include such additional lands and injection wells in the area of said project as may be necessary to complete an efficient water injection pattern; that the showing of well response as required by Rule 701 E 5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

(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.

-3-

CASE No. 3813

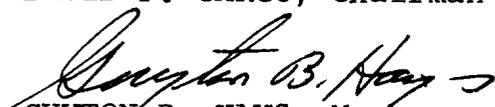
Order No. R-3461

(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

S E A L

esr/