Entered July 10, 1769

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. 4152 Order No. R-3628-A

APPLICATION OF ANADARKO PRODUCTION COMPANY FOR AN AMENDMENT OF ORDER NO. R-3628, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 25, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>10th</u> day of July, 1969, 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, Anadarko Production Company, is the operator of the Anadarko Far West Loco Hills Waterflood Project, Loco Hills Pool, Eddy County, New Mexico, approved by Commission Order No. R-3628.

(3) That the applicant seeks the amendment of said Order No. R-3628 to delete from the water injection wells authorized for injection by said order the following three wells:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Tract 1 - Well No. 1 located 2310' FNL and 330' FEL of Section 4
Tract 8 - Well No. 1 located 2310' FSL and 1650' FWL of Section 4
Tract 8 - Well No. 9 to be drilled 1330' FSL and 2630' FEL of Section 4

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(4) That the applicant seeks to substitute in lieu of the above-described three wells the following:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Tract 1 - Well No. 29 to be drilled 2460' FNL and 180' FEL of Section 4 Tract 8 - Well No. 34 to be drilled 1980' FSL and 1980' FWL of Section 4 Tract 8 - Well No. 35 to be drilled 10' FSL and 1650' FWL of Section 4

(5) That the applicant further seeks the amendment of said Order No. R-3628 to provide a procedure whereby the Secretary-Director of the Commission may authorize the substitution of other water injection wells at orthodox and unorthodox locations for those previously authorized in order to complete an efficient injection pattern.

(6) That approval of the aforesaid amendments will afford the applicant the opportunity to produce its just and equitable share of the oil and gas in the Loco Hills Pool, and will otherwise prevent waste and protect correlative rights, provided said injection wells are drilled no closer than 330 feet to the outer boundary of its Far West Loco Hills Sand Unit nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary.

IT IS THEREFORE ORDERED:

(1) That Order No. R-2628, dated December 16, 1968, is hereby amended by deleting from the water injection wells authorized for the Anadarko Far West Loco Hills Waterflood Project, Eddy County, New Mexico, the following three wells:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Tract 1 - Well No. 1 located 2310' FNL and 330' FEL of Section 4 Tract 8 - Well No. 1 located 2310' FSL and 1650' FWL of Section 4 Tract 8 - Well No. 9 to be drilled 1330' FSL and 2630' FEL of Section 4

(2) That said Order No. R-3628 is hereby further amended by substituting in lieu of the three wells described in Order (1) above

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the following three water injection wells:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Tract 1 - Well No. 29 to be drilled 2460' FNL and 180' FEL of Section 4 Tract 8 - Well No. 34 to be drilled 1980' FSL and 1980' FWL of Section 4 Tract 8 - Well No. 35 to be drilled 10' FSL and 1650' FWL of Section 4

(3) That Order (2) of Order No. R-3628 is hereby amended to read in its entirety as follows:

"(2) That the Anadarko Far West Loco Hills Waterflood Project 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 the substitution of other water injection wells at orthodox and unorthodox locations for those previously authorized in order to complete an efficient injection pattern; provided said wells are drilled no closer than 330 feet to the outer boundary of the Far West Loco Hills Sand Unit nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary, and 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, if any there be, and no such operator has objected within 15 days."

(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

Mary) ARMIJO, Member ALEX

. L. PORTER, Jr., Member & Secretary

SEAL

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