

Entered May 28, 1969
A.C.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. 4140
Order No. R-3770

APPLICATION OF ALLIED CHEMICAL CORPORATION
FOR A WATERFLOOD PROJECT, ROOSEVELT COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 21, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 28th day of May, 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, Allied Chemical Corporation, seeks permission to institute a waterflood project in the Milnesand (San Andres) Unit Area, Milnesand-San Andres Pool, by the injection of water into the San Andres formation through 28 injection wells in Township 8 South, Ranges 34 and 35 East, NMPM, Roosevelt County, New Mexico.

(3) That the applicant further seeks an administrative procedure whereby said project could be expanded to include additional lands and injection wells in the area of the said project as may be necessary in order to complete an efficient injection pattern; that said administrative procedure should provide for administrative approval for conversion to water injection in exception to the well response requirements of Rule 701 E-5 of the Commission Rules and Regulations.

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

(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 however, 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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Allied Chemical Corporation, is hereby authorized to institute a waterflood project in the Milnesand (San Andres) Unit Area, Milnesand-San Andres Pool, by the injection of water into the San Andres formation through the following-described 28 wells in Roosevelt County, New Mexico:

<u>Well</u>	<u>No.</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
Sun DX - Bowley	2	P	12	8 South	34 East
Getty - Coleman	1	F	12	8 South	34 East
Sunoco - Cosby	2	H	12	8 South	34 East
Atlantic - Miller	1	N	12	8 South	34 East
Union Texas - Haley	5	P	13	8 South	34 East
Union Texas - Haley	6	N	13	8 South	34 East
Sun DX - N.M. Federal "F"	4	H	13	8 South	34 East
Sun DX - N.M. Federal "F"	6	F	13	8 South	34 East
Lario - Federal "A"	3	P	14	8 South	34 East
Texam - Luman	2	H	23	8 South	34 East
Sun DX - N.M. Federal "F"	13	H	24	8 South	34 East
Sun DX - N.M. Federal "F"	17	P	24	8 South	34 East
Texam - Weathersby	3	F	24	8 South	34 East
Sun DX - N.M. Federal "F"	20	P	25	8 South	34 East
Texaco - Rogers	3	H	25	8 South	34 East
Citgo - Government "J"	1	N	5	8 South	35 East
Maxwell - Fraser	2	P	6	8 South	35 East
Citgo - Pate "A"	6	H	7	8 South	35 East

CASE No. 4140
Order No. R-3770

<u>Well</u>	<u>No.</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
BTA - Taylor	2	N	7	8 South	35 East
BTA - Taylor	7	F	7	8 South	35 East
Union Texas - Jacobs Federal	6	N	18	8 South	35 East
Union Texas - Hefflefinger	3	F	18	8 South	35 East
Union Texas - Hefflefinger	4	H	18	8 South	35 East
Mobil - Jacobs Federal	6	P	19	8 South	35 East
Union Texas - Jacobs Federal	10	F	19	8 South	35 East
Union Texas - Jacobs Federal	16	N	19	8 South	35 East
Union Texas - Jacobs Federal	17	H	19	8 South	35 East
Mobil - Jacobs Federal	9	N	20	8 South	35 East

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

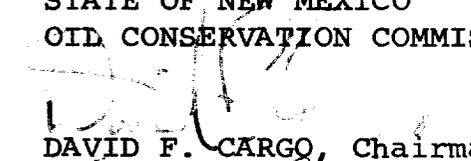
PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve expansion of the Allied Chemical Milnesand Waterflood Project to include such additional lands and injection wells in the area of said project as may be necessary to complete an efficient water injection pattern; that the showing 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.

(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


ALEX J. ARMIJO, Member


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

S E A L

esr/