Enter July 7, 1971

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. 4555 Order No. R-4098-A

APPLICATION OF BTA OIL PRODUCERS FOR EXPANSION OF A PRESSURE MAINTENANCE PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:30 a.m. on June 16, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>7th</u> day of July, 1971, 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, BTA Oil Producers, was authorized by Order No. R-4098, dated February 8, 1971, to institute the BTA Vada Bond Pressure Maintenance Project in the Vada Pennsylvanian Pool, Lea County, New Mexico, by the injection of water into the Bough "C" formation.

(3) That the applicant seeks authority to expand said project by converting to water injection the following three wells in Township 9 South, Range 36 East:

BTA 685 Ltd. Bond Well No. 2, Unit L of Section 5, BTA 685 Ltd. Bond Well No. 4, Unit J of Section 4, BTA 685 Ltd. Northcott Well No. 3, Unit A of Section 5. -2-CASE NO. 4555 Order No. R-4098-A

(4) That the applicant proposes to complete the abovedescribed wells in such a manner as to cause, by means of down-hole equipment, water from the Bough "D" zone to flood the Bough "C" zone in each of said wells.

(5) That the proposed expansion of the pressure maintenance project is in the interest of conservation and may result in greater ultimate recovery of oil from the subject pool, thereby preventing waste, and will not violate correlative rights.

(6) That the proposed method of completion of the abovedescribed three wells is feasible and in accord with sound conservation practices.

(7) That the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, BTA Oil Producers, is hereby authorized to expand its Vada Bond Pressure Maintenance Project in the Vada Pennsylvanian Pool, Lea County, New Mexico by converting to water injection the following three wells in Township 9 South, Range 36 East, NMPM:

BTA 685 Ltd. Bond Well No. 2 - Unit L of Section 5 BTA 685 Ltd. Bond Well No. 4 - Unit J of Section 4 BTA 685 Ltd. Northcott Well No. 3 - Unit A of Section 5

(2) That the applicant is hereby authorized, as to each of the above-described wells, to perforate the Bough "D" and "C" zones and complete the wells in such a manner as to cause, by means of down-hole equipment, water from the Bough "D" zone to flood the Bough "C" zone;

<u>PROVIDED HOWEVER</u>, that for the purposes of filing Form C-120 as required by Rule 704 of the Commission Rules and Regulations, the operator shall calculate the volumes of fluid injected monthly and shall confirm the monthly calculation by actual measurement of the volume of flow on a quarterly basis.

(3) That the subject expanded pressure maintenance project shall be governed by the provision of Rules 701, 702, 703 and 704 of the Commission Rules and Regulations insofar as said rules are not inconsistent with this order. -3-CASE NO. 4555 Order No. R-4098-A

(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

RUCE KING, Chairman

nn ALEX J. ARMIOO, Member below

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

SEAL