Entered September 6, 1712 QLP.

# 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. 4800 Order No. R-4385

APPLICATION OF MOBIL OIL CORPORATION FOR WATERFLOOD EXPANSION AND CAPACITY ALLOWABLE, LEA COUNTY, NEW MEXICO.

# ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 23, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 6th day of September, 1972, 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, Mobil Oil Corporation, seeks permission to expand the Bridges State Waterflood Project in the Vacuum (Grayburg-San Andres) Pool, Grayburg-San Andres formation, by the addition of two producing wells to the project area being its Bridges State Wells Nos. 12 and 174, located, respectively, in Unit P of Section 26 and Unit J of Section 15, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) That said wells are located adjacent to applicant's Bridges State Water Flood Project in said pool but are not directly or diagonally offset by an injection well in the project.

(4) That said wells have experienced a response to the injection of water into the Bridges State Water Flood Project.

(5) That if said wells are not permitted to produce at rates commensurate with wells in their Bridges State Water Flood Project in accordance with Commission Rule 701 E, oil may be swept past the wells and lost to undrilled acreage or across lease lines. -2-CASE NO. 4800 Order No. R-4385

(6) That expansion of the Bridges State Water Flood project area to include applicant's said wells No. 12 and No. 174 will tend to prevent waste and protect correlative rights.

(7) That applicant's request for assignment of capacity allowable to its Bridges State Well No. 12 in Unit P of said Section 26 should be dismissed, as said request is made unnecessary by Commission Order No. R-4381.

(8) That said well No. 12 has been producing with a temporary allowable in excess of the top pool allowable and that any production by this well in excess of the top pool allowable during the temporary allowable period should be legal oil and should not be made up by underproduction.

#### IT IS THEREFORE ORDERED:

(1) That Mobil Oil Corporation's Bridges State Water Flood Project is hereby expanded to include Unit J of Section 15 and Unit P of Section 26, both in Township 17 South, Range 34 East, NMPM, Vacuum (Grayburg-San Andres) Pool, Lea County, New Mexico.

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

(3) That any production in excess of the top pool allowable produced by applicant's Bridges State Well No. 12 in said Section 26 under a temporary allowable in excess of the top pool allowable shall be legal oil provided that it was not in excess of said temporary allowable.

#### IT IS FURTHER ORDERED:

(1) That the applicant's request for the assignment of capacity allowable to its Bridges State Well No. 12 in Unit P of said Section 26 is hereby <u>dismissed</u>.

(2) 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 OLL CONSERVATION COMMISSION BRUCE KING, Chairman ALEX J. DENTRO, Membe L. PORTER, Jr., Jamber & Secretary

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