Entered November 17, 1975

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. 5577 Order No. R-4549-D

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR AMENDMENT OF ORDER NO. R-4549, AS AMENDED, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 22, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of November, 1975, 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 pursuant to Commission Order No. R-4549, dated June 15, 1973, as amended by Orders Nos. R-4549-A, R-4549-B, and R-4549-C, dated January 15, 1974, April 30, 1974, and July 1, 1975, respectively, the applicant Atlantic Richfield Company is conducting pressure maintenance operations in the Empire Abo Unit Area, Empire-Abo Pool, Eddy County, New Mexico.

(3) That said pressure maintenance operations include the reinjection of casinghead gas produced from said Empire-Abo Pool back into the reservoir from which it came.

(4) That even with the reinjection of all available casinghead gas produced from said pool, there still remains considerable reservoir voidage resulting from the production of liquid hydrocarbons from the reservoir.

(5) That the applicant seeks to minimize this reservoir voidage by the injection into the Abo formation of extraneous gas brought in from other sources.

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(6) That the injection of from 25 million to 35 million cubic feet of extraneous gas per day into the Abo formation will virtually eliminate the net voidage of the reservoir underlying the Empire Abo Unit Area, will result in the recovery of additional oil, thereby enhancing the recovery of oil from the reservoir and otherwise prevent waste, will not impair correlative rights, and should be approved.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations for the Empire-Abo Pressure Maintenance Project, as promulgated by Commission Order No. R-4549, and as amended by Commission Order Nos. R-4549-A, R-4549-B, and R-4549-C, are hereby further amended by the addition of the following Rule 4(A):

"RULE 4(A).

That in addition to the injection of available residue gas and the establishment of an available residue gas injection bank as described in Rules 3 and 4 above, the project operator may inject up to and including 35 million cubic feet of extraneous gas per day into the Abo formation underlying the project area; further, that withdrawals of said extraneous gas may be made, but pending reservoir blow-down, during not more than 30 days in any one 180-day period; provided however, that pending blow-down, the daily rate of withdrawal shall not exceed the average daily rate of injection of such extraneous gas during the preceding 180-day period; provided further, that the project operator shall establish and maintain an "Extraneous Gas Bank Statement" which shall be filed with the Commission each month concurrently with the project operator's "Empire-Abo Pressure Maintenance Project Monthly Report" and "Abo Gas Bank Statement", and which shall show thereon each month the volume of extraneous gas injected, the cumulative volume of such gas injected, the volume of gas delivered back to the supplier of extraneous gas, the cumulative volume of gas delivered back to the supplier, and the net cumulative extraneous gas bank.'

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

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STATE OF NEW MEXICO OIL CONSERVATION COMMISSION Rucero * PHIL R. LUCERO, Chairman u ÉMERY ARNOLD, Member Member & Secretary JOE D. RAMEY,

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