Entered June 12, 1725

## 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. 5488 Order No. R-5054

NOMENCLATURE

APPLICATION OF TEXAS PACIFIC OIL CO. FOR POOL CONTRACTION AND EXTENSION, LEA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 28, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>17th</u> day of June, 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 the vertical limits of the Jalmat Gas Pool, Lea County, New Mexico, as previously designated and defined by the Commission, comprise the Tansill and Yates formations, and all but the lowermost 100 feet of the Seven Rivers formation.

(3) That the vertical limits of the Langlie-Mattix Oil Pool, as previously designated and defined by the Commission, comprise the lowermost 100 feet of the Seven Rivers formation and all of the Queen and Grayburg formations.

(4) That the applicant, Texas Pacific Oil Company, Inc., is the operator of the State A Waterflood Project in the Jalmat and Langlie-Mattix Pools, Lea County, New Mexico.

(5) That the lower 160 feet of the Seven Rivers formation underlying the NW/4 SW/4 of Section 3 and the N/2 NE/4 and SE/4 NE/4 of Section 4, all in Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, is for the most part oilsaturated, and there are recoverable oil reserves in said interval and area. -2-Case No. 5488 Order No. R-5054

(6) That secondary recovery operations are currently being conducted in the Seven Rivers formation and in the Queen formation underlying said State A Waterflood Project Area pursuant to authority of Order No. R-4819.

(7) That to increase the efficiency of said secondary recovery operations, the lowermost 160 feet of the Seven Rivers formation and the Queen formation should be treated as a common producing interval.

(8) That the contraction of the vertical limits of the Jalmat Pool to exclude the lowermost 160 feet of the Seven Rivers formation therefrom, and the concurrent extension of the vertical limits of the Langlie Mattix Oil Pool to include the lowermost 160 feet of the Seven Rivers formation therein, within the horizontal limits of the area set forth in Finding No. (5) above, will permit the more efficient operation of the aforesaid secondary recovery project, will prevent waste, will not violate correlative rights, and should be approved.

IT IS THEREFORE ORDERED:

(1) That this order shall apply only to the following described area:

LEA COUNTY, NEW MEXICO TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM Section 3: NW/4 SW/4 Section 4: N/2 NE/4 and SE/4 NE/4

(2) That the vertical limits of the Jalmat Gas Pool in the above-described area are hereby defined as comprising the Tansill and Yates formations and the Seven Rivers formation except for the lowermost 160 feet thereof.

(3) That the vertical limits of the Langlie Mattix Oil Pool in the above-described area are hereby defined as comprising the lowermost 160 feet of the Seven Rivers formation and the Queen and Grayburg formations.

(4) 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.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION • -TRUJILLO, Chairman I. R. Luci PHIL R. LUCERO, Member ply £ l JOE D. RAMEY, Member & Secretary

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