Entered Auril 9, 1959

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 1680 Order No. R-972-E

APPLICATION OF GRARIDGE CORPORATION FOR AN ORDER AUTHORIZING CAPACITY ALLOWABLES FOR EIGHT WELLS SITUATED IN THE PROJECT AREA OF ITS WATER FLOOD PROJECT IN THE CAPROCK-QUEEN POOL, LEA AND CHAVES COUNTIES, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION;

This cause came on for hearing at 9 o'clock a.m. on May 20, 1959, at Santa Fe, New Mexico, before E. J. Fischer, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>21st</u> day of May, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, E. J. Fischer, 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 Graridge Corporation was authorized by Order No. R-972 and amendments thereto, to institute a water flood project in the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico.

(3) That Graridge Corporation is the operator of the followingdescribed wells which are located in the aforementioned water flood project area:

> Cap-Unit Well No. 31-3, NE/4 NW/4 of Section 31, Township 12 South, Range 32 East, NMPM, Lea County, New Mexico.

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> Cap-Unit Well No. 6-11, NE/4 SW/4 of Section 6, Township 13 South, Range 32 East, NMPM, Lea County, New Mexico.

Cap-Unit Well No. 30-15, SW/4 SE/4 of Section 30, Township 12 South, Range 32 East, NMPM, Lea County, New Mexico.

Cap-Unit Well No. 32-3, NE/4 NW/4 of Section 32, Township 12 South, Range 32 East, NMPM, Lea County, New Mexico.

Cap-Unit Well No. 32-7, SW/4 NE/4 of Section 32, Township 12 South, Range 32 East, NMPM, Lea County, New Mexico.

Cap-Unit Well No. 6-15, SW/4 SE/4 of Section 6, Township 13 South, Range 32 East, NMPM, Lea County, New Mexico.

Cap-Unit Well No. 7-3, NE/4 NW/4 of Section 7, Township 13 South, Range 32 East, NMPM, Lea County, New Mexico.

Cap-Unit Well No. 36-9, NE/4 SE/4 of Section 36, Township 12 South, Range 31 East, NMPM, Chaves County, New Mexico.

(4) That said water flood project has caused an increase in the producing capacity of the above-described wells to the extent that they are now capable of producing in excess of the top unit allowable for the Caprock-Queen Pool.

(5) That there is a reasonable probability that waste will occur if production from the above-described wells is curtailed.

IT IS THEREFORE ORDERED:

That the following-described wells are hereby granted an allowable equal to their capacity to produce, effective at 7:00 o'clock a.m., Mountain Standard Time, May 20, 1959:

Cap-Unit Well No. 31-3, NE/4 NW/4 of Section 31, Township 12 South, Range 32 East, NMPM, Lea County, New Mexico.

Cap-Unit Well No. 6-ll, NE/4 SW/4 of Section 6, Township 13 South, Range 32 East, NMPM, Lea County, New Mexico.