Entred Scender 12, 1957

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. 1225 Order No. R-975-A

APPLICATION OF MOAB DRILLING COMPANY AND UTEX EXPLORATION COMPANY, INC., FOR AUTHORITY TO PRODUCE AT CAPACITY CERTAIN WELLS IN AN APPROVED PILOT WATER FLOOD PROJECT IN SECTIONS 15 AND 16, TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM, HIGH LONESOME POOL, EDDY COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 6, 1957, at Santa Fe, New Mexico, before A. L. Porter, Jr., Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this  $\underline{6}^{\underline{t}}$  day of December, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, A. L. Porter, Jr., 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 Moab Drilling Company was authorized by Order No. R-975, dated April 12, 1957, to institute a pilot water flood project in Sections 15 and 16, Township 16 South, Range 29 East, NMPM, High Lonesome Pool, Eddy County, New Mexico.

(3) That the aforementioned pilot water flood project has caused an increase in the producing capacity of certain of the wells in said pilot area to the extent that they are now capable of producing in excess of the top unit allowable for the High Lonesome Pool.

(4) That permission is sought to produce the hereinafter described wells in the aforementioned pilot area at capacity, on the grounds that the production from said wells cannot be curtailed without causing a reduction in the ultimate recovery of oil, to-wit:



-2-Case No. 1225 Order No. R-975-A

| Unit   |    |    |    |  |
|--------|----|----|----|--|
| Letter | s. | Т. | R. |  |

| Moab Drilling Company      | Davis Federal No. 2 Well | Е            | 15-16S-29E |
|----------------------------|--------------------------|--------------|------------|
| Moab Drilling Company      | Davis Federal No. 3 Well | D            | 15-16S-29E |
| Moab Drilling Company      | Davis Federal No. 5 Well | F            | 15-16S-29E |
| Moab Drilling Company      | Davis Federal No. 6 Well | С            | 15-16S-29E |
| Moab Drilling Company      | Skelly-State No. 10 Well | $\mathbf{L}$ | 15-16S-29E |
| Utex Exploration Co., Inc. | Donahue No. 2 Well       | K            | 15-16S-29E |
| Moab Drilling Company      | Skelly-State No. 6 Well  | G            | 16-16S-29E |
| Moab Drilling Company      | Skelly-State No. 7 Well  | H            | 16-16S-29E |
| Moab Drilling Company      | Skelly-State No. 8 Well  | A            | 16-16S-29E |
| Moab Drilling Company      | Skelly-State No. 9 Well  | Ι            | 16-16S-29E |
| Moab Drilling Company      | State No. 1 Well         | J            | 16-16S-29E |

(5) That the preponderance of the evidence presented in this case indicates that waste would occur if the production from the above-described wells were restricted.

(6) That said wells should be permitted to produce at capacity.

## IT IS THEREFORE ORDERED:

(1) That the following described wells be granted an allowable equal to their capacity to produce, to-wit:

|                            | 1                        | Unit<br>Letter S. T. R. |
|----------------------------|--------------------------|-------------------------|
| Moab Drilling Company      | Davis Federal No. 2 Well | E 15-168-29E            |
| Moab Drilling Company      | Davis Federal No. 3 Well | D 15-16S-29E            |
| Moab Drilling Company      | Davis Federal No. 5 Well | F 15–16S–29E            |
| Moab Drilling Company      | Davis Federal No. 6 Well | C 15-16S-29E            |
| Moab Drilling Company      | Skelly-State No. 10 Well | L 15-16S-29E            |
| Utex Exploration Co., Inc. | Donahue No. 2 Well       | K 15-16S-29E            |
| Moab Drilling Company      | Skelly-State No. 6 Well  | G 16-16S-29E            |
| Moab Drilling Company      | Skelly-State No. 7 Well  | H 16-16S-29E            |
| Moab Drilling Company      | Skelly-State No. 8 Well  | A 16-16S-29E            |
| Moab Drilling Company      | Skelly-State No. 9 Well  | I 16-16S-29E            |
| Moab Drilling Company      | State No. 1 Well         | J 16-16S-29E            |

(2) That this order shall become effective at 7 o'clock a.m., Mountain Standard Time, on December 9, 1957.

(3) That the Commission hereby retains jurisdiction in this cause to amend or revoke all or any part of this order, and further, to enter any additional order or orders deemed necessary.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION EZA EDWIN L. MECHEM, Chairman 1 ngan MURRAY E. MORGAN; Member Siles Jeiles & A. L. PORTER, Jr., Member & Secretary

SEAL

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