

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. 4808
Order No. R-4419

APPLICATION OF SKELLY OIL
COMPANY FOR A WATERFLOOD
EXPANSION AND DUAL COMPLETION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 4, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 16th day of October, 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, Skelly Oil Company, seeks permission to expand its Grayburg-Jackson Skelly Unit Waterflood Project in the Grayburg-Jackson Pool, by the injection of water through its Unit Well No. 114 located in Unit D of Section 14, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.
- (3) That the applicant further seeks authority to complete its Well No. 114 in such a manner as to permit the production of oil from the Fren-Seven Rivers Pool through 2 1/16-inch tubing and the injection of water into the Grayburg-Jackson Pool through a parallel string of 2 1/16-inch tubing with separation of zones by a packer set at approximately 3300 feet.
- (4) That the applicant further seeks a procedure whereby the subject waterflood project may be expanded by the dual completion of additional wells within the boundaries of the above-described unit without the necessity for notice and hearing.
- (5) That the proposed waterflood expansion and dual completion are feasible and should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations; provided however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection as single completions or as dual completions.

IT IS THEREFORE ORDERED:

(1) That the applicant, Skelly Oil Company, is hereby authorized to expand its Grayburg-Jackson Skelly Unit Waterflood Project in the Grayburg-Jackson Pool by the injection of water through its Unit Well No. 114 located in Unit D of Section 14, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

(2) That the applicant is hereby authorized to complete said Well No. 114 in such a manner as to permit the production of oil from the Fren-Seven Rivers Pool through 2 1/16-inch tubing and the injection of water into the Grayburg-Jackson Pool through a parallel string of 2 1/16-inch tubing with separation of zones by a packer set at approximately 3300 feet.

(3) That Order (2) of Order No. R-3214 is hereby amended to read in its entirety as follows:

"(2) That the subject waterflood project is hereby designated the Grayburg-Jackson Skelly Unit Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve expansion of the above-described waterflood project to include such additional injection wells in the area of said project as may be necessary to complete an efficient injection pattern; that said wells may be approved as dual completions for injection into the Grayburg-Jackson Pool and production from the Fren-Seven Rivers Pool."

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

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

-3-

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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

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