OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA, FE. NEW MEXICO 87501

May 7, 1969

Newmont Oil Company P. O. Box 1305 Artesia, New Mexico 88210

Gentlemen:

Enclosed herewith please find Administrative Order No. WFX-313 authorizing conversion of one well to water injection well in your West Loco Hills Grayburg No. 4 Sand Unit Water Flood Project in the Loco Hills Pool in Eddy County, New Mexico.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/JEK/og cc: Oil Conservation Commission - Artesia Oil & Gas Engineering Committee - Hobbs APPLICATION OF NEWMONT OIL COMPANY TO EXPAND ITS WEST LOCO HILLS GRAYBURG NO. 4 SAND UNIT WATER FLOOD PROJECT IN THE LOCO HILLS POOL IN EDDY COUNTY, NEW MEXICO.

ORDER WFX NO. 313

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION COMMISSION

Under the provisions of Order No. R-2178-C, Newmont Oil Company has made application to the Commission on April 23, 1969, for permission to expand its West Loco Hills Grayburg No. 4 Sand Unit Water Flood Project in the Loco Hills Pool, Eddy County, New Mexico.

NOW, on this 7th day of May, 1969, the Secretary-Director finds:

1. That application has been filed in due form.

2. That satisfactory information has been provided that all offset operators have been duly notified of the application.

3. That no objection has been received within the waiting period as prescribed by Order No. R-2178-C.

4. That the proposed injection well is eligible for conversion to water injection under the terms of Order No. R-2178-C.

5. That the proposed expansion of the above-referenced water flood project will not cause waste nor impair correlative rights.

6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Newmont Oil Company, be and the same is hereby authorized to inject water into the Grayburg formation through the following described well for purposes of secondary recovery, to wit:

Tract 19 B Well No. 4 located 2310 feet FNL and 2310 feet FEL of Section 9, Township 18 South, Range 29 East, NMPM.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

A. L. PORTER, Jr. Secretary-Director