HUDSON FEDERAL WATERFLOOD PROJECT

DIVISION ORDERS

R-3265 WFX-687

BEFORE EXAMINER CAYAHAGA
OIL CONSERVATION DIVIDUE
EXHIBIT NO. 2 C

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. 3599 Order No. R-3265

APPLICATION OF FRANKLIN, ASTON & FAIR, INC., FOR A WATERFLOOD PROJECT, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 28, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of July, 1967, 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, Franklin, Aston & Fair, Inc., seeks permission to institute a waterflood project in the Grayburg-Jackson Pool by the injection of water into the Grayburg-San Andres formations through its Budson Well No. 5 to be drilled at an unorthodox location 2480 feet from the North line and 1160 feet from the West line of Section 17, and through its Hudson Well No. 1 located 660 feet from the North line and 660 feet from the East line of Section 18, both in Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.
- (3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper' wells.
- (4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing wasts.

(5) 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.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Franklin, Aston & Fair, Inc., is hereby authorized to institute a waterflood project in the Grayburg-Jackson Pool by the injection of water into the Grayburg-San Andres formations through its Hudson Well No. 5 to be drilled at an unorthodox location 2480 feet from the North line and 1160 feet from the West line of Section 17, and through its Hudson Well No. I located 660 feet from the North line and 660 feet from the East line of Section 18, both in Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.
- (2) That the subject waterflood project is hereby designated the F. A. F. Hudson Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.
- (3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.
- (4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

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

SEAL