

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. 1433
Order No. R-972-A

APPLICATION OF GRARIDGE CORPORATION
FOR AN ORDER AMENDING ORDER NO. R-972
TO PERMIT THE EXPANSION OF THE PILOT
WATER FLOOD PROJECT AUTHORIZED THEREBY
IN THE CAPROCK-QUEEN POOL, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 6, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 28th day of May, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 Commission by its Order No. R-972 authorized Graridge Corporation, Gulf Oil Corporation, and Great Western Drilling Company to institute a pilot water flood project with six water injection wells in Section 31, Township 12 South, Range 32 East, and Sections 5 and 6 of Township 13 South, Range 32 East, Caprock-Queen Pool, Lea County, New Mexico.

(3) That the above-described pilot water flood project was subsequently included in the North Caprock-Queen Unit, which agreement designated Graridge Corporation as the unit operator and that the said North Caprock Queen Unit was approved by the Commission by its Order No. R-1145.

(4) That the applicant, Graridge Corporation, now seeks permission to expand the above-referenced pilot water flood project by immediate conversion of the following described wells to water injection wells:

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Cap-Unit #31-2, situated in NW/4 NE/4 of Section 31-12S-32E, NMPM.

Cap-Unit #31-8, situated in SE/4 NE/4 of Section 31-12S-32E, NMPM.

Cap-Unit #32-12, situated in NW/4 SW/4 of Section 32-12S-32E, NMPM.

Cap-Unit #32-14, situated in SE/4 SW/4 of Section 32-12S-32E, NMPM.

(5) That the applicant further requests that it be authorized to convert the following described wells to water injection wells in accordance with the dictates of periodic performance data at the operator's discretion, without notice and hearing but subject to administrative approval by the Commission, to-wit:

Cap-Unit #30-16, situated in SE/4 SE/4 of Section 30-12S-32E, NMPM.

Cap-Unit #32-4, situated in NW/4 NW/4 of Section 32-12S-32E, NMPM.

Cap-Unit #32-6, situated in SE/4 NW/4 of Section 32-12S-32E, NMPM.

Cap-Unit #32-10, situated in NW/4 SE/4 of Section 32-12S-32E, NMPM.

(6) That the above-referenced water flood is in a state of imbalance and that the immediate injection of water into the above-described Cap-Unit Wells #31-2, #31-8, #32-12, and #32-14 is necessary to restore the balance in the said water flood project.

(7) That the applicant should be authorized to convert the above-described Cap-Unit Wells #30-16, #32-4, #32-6, and #32-10 to water injection wells, without notice and hearing, provided administrative approval is first obtained from the Commission.

(8) That the Commission should not grant administrative approval for conversion to water injection of any of the wells mentioned in finding No. 7 above unless it is shown that the proposed water injection well has experienced a substantial response to the water flood project or is directly offset by a producing well which has experienced such response.

(9) That the subject application should be approved in the interests of conservation.

IT IS THEREFORE ORDERED:

(1) That Graridge Corporation be and the same is hereby authorized to immediately convert the following-described wells to water injection wells:

Cap-Unit #31-2, situated in NW/4 NE/4 of Section 31-12S-32E, NMPM.

Cap-Unit #31-8, situated in SE/4 NE/4 of Section 31-12S-32E, NMPM.

Cap-Unit #32-12, situated in NW/4 SW/4 of Section 32-12S-32E, NMPM.

Cap-Unit #32-14, situated in SE/4 SW/4 of Section 32-12S-32E, NMPM.

(2) That Graridge Corporation be and the same is hereby authorized to convert the following-described wells to water injection wells subject to administrative approval by the Commission, to-wit:

Cap-Unit #30-16, situated in SE/4 SE/4 of Section 30-12S-32E, NMPM.

Cap-Unit #32-4, situated in NW/4 NW/4 of Section 32-12S-32E, NMPM.

Cap-Unit #32-6, situated in SE/4 NW/4 of Section 32-12S-32E, NMPM.

Cap-Unit #32-10, situated in NW/4 SE/4 of Section 32-12S-32E, NMPM.

PROVIDED HOWEVER, That none of the above-described wells shall be eligible for administrative approval for conversion to water injection unless it is shown that the proposed water injection well has experienced a substantial response to the water flood project or is directly offset by a producing well which has experienced such response.

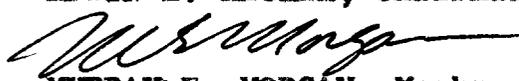
PROVIDED FURTHER, That to obtain administrative approval for the conversion of any well to water injection, applicant shall submit to the Commission in triplicate a request for such administrative approval, setting forth therein all the facts pertinent to the need for expansion of the water flood, and attaching thereto Commission Form C-116, showing production tests of the affected well or wells both before and after stimulation by water flood. Applicant shall also attach plats of the water flood project area and immediate surrounding area, indicating thereon the owner of each lease and the location of all water injection wells and producing wells, and shall submit evidence that a copy of the application to expand the water flood project area has been sent to each operator offsetting the proposed expansion.

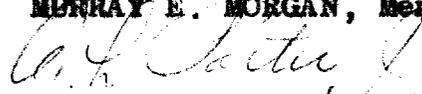
The Secretary-Director of the Commission may, if in his opinion there is need for the expansion of the water flood project area, authorize said expansion without notice and hearing, provided no offset operator objects to said expansion within fifteen (15) days. The Secretary-Director may grant immediate approval of the expansion upon receipt of waivers of objection from all operators offsetting the proposed expansion.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


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

