

~~2 Months~~

4563 Grace Double L-Queen
Pressure Maintenance

Finds

1. Notice as required
2. Applicant is owner ~~and~~ and operator of ~~the~~ State Wells No 1 and 2 located in units A and B respectively of Section 1-T155-R30E, Double L-Queen Pool, Cheves County, New Mexico.
3. Applicant proposes to produce Well No 1 with no gas-oil ratio, ~~seperate the production and~~ ~~inject all gas produced~~ return all gas produced to the ~~the~~ Double L-Queen producing zone by ~~separate~~ injection into Well No 2.
4. That State Well No 2 should be classified as a pressure maintenance project injection well.
5. That the subject pressure maintenance project is in the interest of conservation and should result in greater ultimate recovery of oil, thereby preventing waste.
6. That production of the State No 1 well with an unlimited gas-oil ratio, at ~~not~~ oil production rates up to but

not in excess of the top unit allowable for the Double L-Queen Pool, and with subsequent reinjection of the produced gas will not harm correlative rights.

7. That the injection should be accomplished through $8\frac{5}{8}$ -inch casing ~~equipped~~ ~~with~~ equipped with a pressure gauge.
8. Gas production from State Well No 1 and gas injection into ~~well No~~ State Well No 2 should be metered. (new and).
9. 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.

Therefore

(1) That the applicant, Corinne Grace, is hereby authorized to produce her State Well No 1 located in unit A of Section 1-T15S-R29E, ~~Chaves~~ Double County, ~~New Mexico~~ L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation.

Provided, however, that oil production shall be limited to the top unit allowable for the pool and, provided further, that all gas produced shall be reinjected into the ~~Queen Formation Queen producing~~ ~~to~~ Double L-Queen producing horizon in the State Well No 2 located in unit B of the same section.

(2) Injection ~~into~~ into State Well No 2 should be accomplished through $8\frac{5}{8}$ casing. The wellhead shall be equipped with a pressure gauge and said pressure gauge maintained in proper working order.

(3) All gas production and all gas injection shall be measured by use of meters or such other devices as may be approved by the Commission.

(3) Upon the completion of installation of equipment necessary to operate ~~(4)~~ ~~(3)~~ That the subject pressure maintenance project is hereby designated the Grace Double L Pressure Maintenance Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

~~(4)~~ That within 30 days ~~after~~ following installation of the equipment necessary to operate the Grace Double L Pressure Maintenance Project, the applicant shall ~~file~~ file a diagrammatic sketch of

~~(3)~~ That ~~within 7 days~~ the applicant shall notify the Artesia District Office of the Commission of the commencement of pressure maintenance within 7 days of the date of first injection.

(5) That monthly progress reports of the etc etc

like R# 197.