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O. C. D. ARTESIA, OFFICE

APPLICATION OF SOUTHLAND ROYALTY COMPANY TO EXPAND ITS WATERFLOOD PROJECT IN THE GRAYBURG-JACKSON POOL IN EDDY COUNTY, NEW MEXICO.

ORDER No. WFX-508

NEW MEXICO.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Order No. R-4133, Southland Royalty Company has made application to the Division on April 5, 1983, for permission to expand its Dale H. Parke "A" Waterflood Project in the Grayburg-Jackson Pool in Eddy County, New Mexico.

NOW, on this 5th day of April, 1983, the Division 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 Rule 701 B.
- 4. That the proposed injection well is eligible for conversion to water injection under the terms of Rule 701.
- 5. That the proposed expansion of the above referenced waterflood project will not cause waste nor impair correlative rights.
- 6. That casing leaks exist from a depth of 2570 feet to 2663 feet, which is out of the designated injection intervals.
 - 7. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Southland Royalty Company, be and the same is hereby authorized to inject water into the Grayburg and San Andres formations through plastic-lined tubing set in a packer at approximately 2790 feet in the following described well for purposes of secondary recovery to wit: