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Case Number
4800

Application

Transcripts

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
STATE LAND OFFICE
SANTA FE, NEW MEXICO
Wednesday, August 23, 1972 at 9:45 A. M.

EXAMINER HEARING

IN THE MATTER OF:)

Application of Mobil Oil Corporation)
for waterflood expansion and capacity)
allowable, Lea County, New Mexico.)

Case No. 4800

BEFORE: RICHARD L. STAMETS, Examiner

TRANSCRIPT OF HEARING

PROCEEDINGS

THE EXAMINER: We will call case 4800.

MR. HATCH: Case 4800, application of Mobil Oil Corporation for waterflood expansion and capacity allowable, Lea County, New Mexico.

MR. SPERLING: I am J. E. Sperling of Albuquerque appearing for the applicant Mobil Oil Corporation. We have one witness.

(Whereupon, Mr. W. B. Simmons, Jr. was called to the stand and sworn.)

MR. W. B. SIMMONS, JR.

having been first duly sworn according to law, upon his oath, testified as follows:

DIRECT EXAMINATION

BY MR. J. E. SPERLING:

Q Please state your name, your employer and the position in which you are employed.

A I am W. B. Simmons, Jr., employed as an associate engineer in the proration group for the Midland division office of Mobil Oil Corporation.

Q Have you on any previous occasion testified before the Commission so that your qualifications are a matter of record?

A Yes, I have.

1 MR. SPERLING: Are the witness's qualifications
2 acceptable?

3 THE EXAMINER: They are.

4 Q (By Mr. Sperling) What is Mobil seeking by this applica-
5 tion, Mr. Simmons?

6 A Mobil Oil Corporation by this application seeks to
7 expand the Bridges State water flood project to include
8 the Bridges State well number 12 located in Unit P of
9 Section 26 and Bridges State well number 174 located in
10 Unit J of Section 15 all in Township 17 South, Range 34
11 East, Vacuum Grayburg-San Andres pool, Lea County, New
12 Mexico. Also requested is the authority to produce
13 Bridges State well number 12 at capacity.

14 Q Would you give us a brief history of the Bridges State
15 water flood project?

16 A Mobil's Bridges State water flood was initiated in 1958
17 and has, through several expansions, extended to the
18 present limits as proposed on Exhibit 1, a plat of the
19 water flood area. This area contains approximately 4280
20 acres. After two major expansions completed in 1970 there
21 were substantial responses to the water injection programs
22 as shown on Exhibit 2, the production history graph for
23 the project. It is a response from the last project
24 expansion that we are concerned with at this hearing.

25 Q Had there been any Commission action with regard to this

1 application prior to this hearing?

2 A Yes. Mobil's letter of July 10, 1972 requested this
3 expansion be administratively approved. Mobil was
4 informed by the Commission that these two wells could not
5 qualify under Rule 701-E and that the applicant must
6 therefore--application must therefore be set for hearing.
7 However at Mobil's request the Commission did grant the
8 Bridges State well number 12 a temporary allowable
9 increase supplement number 164 dated July 1972 from the
10 present top of 80 barrels of oil per day to a new top
11 allowable of 100 barrels per day. This extra production
12 of over 80 barrels per day is subject to being compensated
13 for by underproduction at some future date unless a
14 project area is extended to include well number 12.

15 Q Was there some unusual circumstances that affect the
16 Commission's consideration so far as well number 12 is
17 concerned?

18 A Yes, there is. Referring to Exhibit 1, you can see that
19 the normal water injection pattern has not been extended
20 to all of the south boundary of the project. This was
21 as a result of the denial issued in case number 4368
22 Order R number 3940-A in which Mobil requested an
23 authority to convert wells 15 and 25 located respectively
24 in Units O and I of Section 26, Township 17 South, Range
25 34 East, Lea County, New Mexico. You will note that both

1 these wells are direct offsets to well number 12 and their
2 conversion to water injection would have qualified well
3 number 12 for an administrative inclusion into the project
4 area.

5 Q Mr. Simmons, in view of the fact that the Commission's
6 position that there was not justification for administra-
7 tive approval under Rule 701-E-2 which provides that
8 additional proration units not directly or diagonally
9 offsetting an injection tract may be included in the
10 project area--if after notice and hearing it has been
11 established that such additional units have wells com-
12 pleted thereon which have experienced a substantial
13 response to water injection, is Mobil asking approval of
14 the application which is the subject of this hearing under
15 this provision?

16 A Yes, we are. Mobil believes that these wells can qualify
17 under this for such consideration under this rule.

18 Q What evidence do you have that will show that there has
19 been a response in these wells to the water injection
20 wells in the area?

21 A Well, I plan to discuss well number 12 first and well 174
22 second. Exhibits number 3 through 8 are individual graphs
23 of well tests showing both oil and water volumes for the
24 well or for the wells in the area of well number 12.

25 Exhibit 3 is a test history of well number 12 and shows

1 that it was acidized on July 25, 1971 to clean out the
2 well bore and increase production. After the workover
3 the well tested 61 barrels of oil per day on August 2nd,
4 1971. This increase in production was short-lived for
5 by October 6, 1971 the well test was down to 37 barrels
6 of oil per day. However, from this time on the well tests
7 have indicated an average increase in production. In my
8 opinion this well has experienced substantial response to
9 the water flood since the latter part of October 1971 and
10 most likely from the nearest water injection wells,
11 Bridges State wells number 30 and 35 in Section 26.
12 Injection in these two wells began in July 1970 and an
13 estimated cumulative water injection as of August 23,
14 1972 is 180,000 barrels for well number 30 and 392,000
15 barrels for well number 35.

16 Q Are there other water injection wells in the vicinity on
17 offsetting leases which might be responsible at least in
18 part for this response?

19 A No. Mobil has the only water injection wells in the area
20 as the other operators have not started a water flood
21 project yet.

22 Q Have other wells in the immediate area of well number 12
23 shown a response which might be indicative of the response
24 effect insofar as 12 is concerned?

25 A Yes. I would like to introduce the Exhibits 4 through 7

dearnley, meier & mc cormick
consulting services, inc.

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and these are the graphs showing the test history of wells number 15, 26, 33 and 25. Exhibit 4 is a graph for well number 15. It shows a reversal in decline shortly after injection started in wells 30 and 35 in July of 1970. Since then the average test results show a steady increase in production. Exhibit 5 is a graph for well number 25. It shows the immediate effect of a successful workover in May 1970 with a rapid decline until it responded to the water injection into well number 30 and started in July 1970. The response was sharp and had stabilized at a level three times higher than before injection began. Exhibit Number 6 is a graph for well number 26 and shows a quick positive response with the oil production leveling off at an average of ten times greater than production before injection. Exhibit 7 is a graph for well number 33. It showed immediate response and then dropped off sharply after December 1970. After the well was pulled in October 1971 total produced fluid again rose but started declining again at a lower rate. I believe this can be explained in the sign for the need of workover or equipment change in the well.

Q What conclusions do you draw from the data which is indicated on the exhibits to which you have referred, 4 through 7.

A In my opinion the entire area southeast part of Section

1 26 lying southeast of injection wells 29, 35, 30 is
2 experiencing a substantial response to water injection
3 from Mobil's Bridges State water injection project.

4 Q Does the project in the vicinity of well number 12 have
5 any back-up?

6 A No, it does not.

7 Q What is the result of that?

8 A Since there is no back-up for Mobil's Bridges State water
9 flood project by a lease line injection wells or some
10 natural barrier it is my opinion that Mobil Oil's reserve
11 will migrate off lease thereby being lost to Mobil's well.
12 This probability was firmly attested to by Marathon Oil
13 Company and Continental Oil in Examiner's Case Number 4367
14 and 4368.

15 Q I take it then that it is your opinion that without the
16 inclusion of well number 12 into the project that Mobil's
17 correlative rights will be adversely affected by the
18 migration of oil from Mobil's lease?

19 A Yes, definitely.

20 Q Now, would you refer to well 174 and indicate what response
21 if any it has shown to the water injection.

22 A If we can refer to Exhibit Number 8 which is a graph of a
23 daily production of well number 174, the well was
24 completed just lately in April of 1972 and potential on
25 May 21st, 1972 was for four barrels of oil plus 82 barrels

dearnley, meier & mc cormick

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1 of water with gas volumes too small to measure. Fluid
2 production dropped initially in May 1972 to three barrels
3 of oil plus 70 barrels of water per day and then sharply
4 increased in July of 1970 to eight barrels of oil plus
5 33 barrels of water. I believe that this response is
6 caused primarily by the 770,000 barrels of accumulative
7 injection into water injection well number 66 and the
8 some 1,700,000 barrels of accumulative injection into
9 water injection well number 62.

10 Q Do you have any other reasons for asking for the inclusion
11 of 174 into the project?

12 A Yes. In addition to the substantial response shown by
13 well number 174 it is an addition to the Bridges State
14 water flood project--it would eliminate unnecessary paper-
15 work and a need for separate reporting. Also as the well
16 further responded to the water flood well number 174 will
17 then be able to produce capacity and protect Mobil's
18 correlative rights in that area.

19 Q Do you have any other evidence pertinent to this applica-
20 tion?

21 A Yes. Exhibit 9 is a letter from the office of the
22 Commissioner of Public Land stating that they had no
23 objection to the inclusion of these wells into the project
24 area subject to the Commission's approval. Also there is
25 a copy of an unsolicited waiver from Continental Oil

1 Company Exhibit Number 10 stating they have no objection
2 to well number 12 being included in the project area.

3 Q Do you have anything further?

4 A I have nothing further.

5 MR. SPERLING: I would like to offer Exhibits 1
6 through 10 at this time, Mr. Examiner.

7 THE EXAMINER: Without objection Exhibits 1 through
8 10 will be admitted into evidence.

9 Are there questions of this witness?

10 Mr. Simmons, have the other wells offsetting well
11 number 174 experienced an effect from the water flood?

12 THE WITNESS: No, sir, not as sharp as this. I
13 checked that and it is my thoughts that it is 174 that is
14 feeling this response from these two closest wells but 68 nor
15 167, neither one, have shown any sharp increase such as 174.

16 THE EXAMINER: Do you have any knowledge of any uni-
17 que reservoir characteristics that are causing well number 174
18 and number 12 to experience these increases while offsetting
19 wells are not experiencing them or not experiencing them as
20 much?

21 THE WITNESS: I would like to answer that question
22 in two parts. I think number 12 shows a normal situation
23 whereas the whole southeast part of Section 26 does exhibit
24 response. All those wells shown there exhibit some sort of
25 response, but now 174 there must be a unique situation there

1 but it is a new well. It was completed under new methods and
2 I have no reason to explain that and no way of explaining it,
3 but we were able to show the response on the graph and I
4 thought it would be helpful to do so.

5 THE EXAMINER: You gave us three tests, I believe,
6 or three different rates of production on that. I wonder if
7 you would repeat those and then calculate the total fluid on
8 each one of those.

9 THE WITNESS: That would be in relation to Exhibit
10 8?

11 THE EXAMINER: Yes.

12 THE WITNESS: The potential was 86 and fluid produc-
13 tion dropped then to 73 and then sharply increased to 41. We
14 drilled into an area where I would have expected some build-up
15 in reservoir pressures due to it being an undrilled area and
16 we got what was there which was a lot of water and a little
17 bit of oil and now that the oil is increasing, whereas the
18 total fluid volume is not increasing, we have, I think, after
19 the well drew off that initial surge of pressure there it will
20 respond in a normal way. I think we will be experiencing
21 additional increases.

22 THE EXAMINER: To your knowledge have the producers
23 offsetting your well number 12 experienced any increase in
24 production?

25 THE WITNESS: No. I was unable to ascertain whether

1 they had or not, but there was considerable testimony during
2 these hearings that we had that we probably aren't producing
3 from the same zones in those areas and this is something I
4 would expect. However, they should experience some response
5 if they do produce from that zone at any later time.

6 THE EXAMINER: In both cases it is your feeling that
7 if you are not allowed to include these wells in the project
8 area and get the benefit of water flood allowables that oil
9 will be lost?

10 THE WITNESS: Yes, sir.

11 THE EXAMINER: Will this be permanently lost?

12 THE WITNESS: In the case of 174 if and when that
13 happens, yes. There are no wells in that area to recover it.
14 In the case of well number 12 where we are offset by Marathon
15 and Continental, I am sure that they would assist in the
16 recovery of Mobil's oil in every way that they could, but we
17 would not be able to recover it.

18 THE EXAMINER: Are there other questions of the
19 witness? You may be excused.

20 We will take this case under advisement.
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22
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I N D E XWITNESSPAGE

MR. W. B. SIMMONS, JR.

Direct Examination by Mr. J. E. Sperling

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E X H I B I T SPAGE

Exhibit 1 -

Plat of water flood area

11

Exhibit 2 -

Production history graph for project

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Exhibit 3 -

Test history of well number 12

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Exhibit 4 -

Graph for well number 15

11

Exhibit 5 -

Graph for well number 25

11

Exhibit 6 -

Graph for well number 26

11

Exhibit 7 -

Graph for well number 33

11

Exhibit 8 -

Graph of daily production of well number 174

11

Exhibit 9 -

Letter from office of Commissioner
of Public Land

11

Exhibit 10 -

Waiver from Continental Oil Company

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1 STATE OF NEW MEXICO)
2 : ss.
3 COUNTY OF BERNALILLO)

4 I, MARCIA J. HUGHES, Court Reporter, do hereby certify
5 that the above and foregoing pages are a true and correct
6 transcript of the proceedings had before the New Mexico Oil
7 Conservation Commission on Wednesday, August 23, 1972.

8 *Marcia J. Hughes*
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25

1800
August 23, 1972
Richard L. ...



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

September 6, 1972

GOVERNOR
BRUCE KING
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Re: Case No. 4800
Order No. R-4385
Applicant: Mobil Oil Corporation

Mr. James E. Sperling
Modrall, Seymour, Sperling, Roehl
& Harris
Attorneys at Law
Post Office Box 2168
Albuquerque, New Mexico 87103

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC X
Artesia OCC
Aztec OCC

Other State Engineer Office

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. 4800
Order No. R-4385

APPLICATION OF MOBIL OIL
CORPORATION FOR WATERFLOOD
EXPANSION AND CAPACITY
ALLOWABLE, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 23, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 6th day of September, 1972, 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, Mobil Oil Corporation, seeks permission to expand the Bridges State Waterflood Project in the Vacuum (Grayburg-San Andres) Pool, Grayburg-San Andres formation, by the addition of two producing wells to the project area being its Bridges State Wells Nos. 12 and 174, located, respectively, in Unit P of Section 26 and Unit J of Section 15, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) That said wells are located adjacent to applicant's Bridges State Water Flood Project in said pool but are not directly or diagonally offset by an injection well in the project.

(4) That said wells have experienced a response to the injection of water into the Bridges State Water Flood Project.

(5) That if said wells are not permitted to produce at rates commensurate with wells in their Bridges State Water Flood Project in accordance with Commission Rule 701 E, oil may be swept past the wells and lost to undrilled acreage or across lease lines.

-2-

CASE NO. 4800
Order No. R-4385

(6) That expansion of the Bridges State Water Flood project area to include applicant's said wells No. 12 and No. 174 will tend to prevent waste and protect correlative rights.

(7) That applicant's request for assignment of capacity allowable to its Bridges State Well No. 12 in Unit P of said Section 26 should be dismissed, as said request is made unnecessary by Commission Order No. R-4381.

(8) That said well No. 12 has been producing with a temporary allowable in excess of the top pool allowable and that any production by this well in excess of the top pool allowable during the temporary allowable period should be legal oil and should not be made up by underproduction.

IT IS THEREFORE ORDERED:

(1) That Mobil Oil Corporation's Bridges State Water Flood Project is hereby expanded to include Unit J of Section 15 and Unit P of Section 26, both in Township 17 South, Range 34 East, NMPM, Vacuum (Grayburg-San Andres) Pool, Lea County, New Mexico.

(2) That monthly progress reports of the expanded water-flood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) That any production in excess of the top pool allowable produced by applicant's Bridges State Well No. 12 in said Section 26 under a temporary allowable in excess of the top pool allowable shall be legal oil provided that it was not in excess of said temporary allowable.

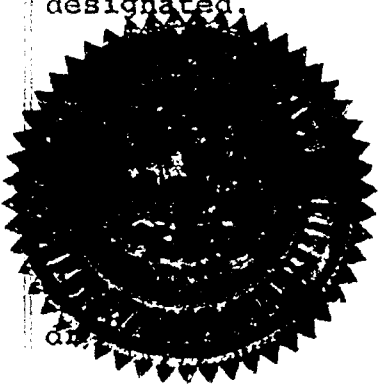
IT IS FURTHER ORDERED:

(1) That the applicant's request for the assignment of capacity allowable to its Bridges State Well No. 12 in Unit P of said Section 26 is hereby dismissed.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman

ALEX. ARRIJO, Member

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

DOCKET: EXAMINER HEARING-- WEDNESDAY - AUGUST 23, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 4775: (Continued from the July 26, 1972 Examiner Hearing)

Application of Continental Oil Company for amendment of special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks amendment of the special rules and regulations governing the Blinebry Pool, Lea County, New Mexico, to provide for annual bottom-hole pressure, gas-oil ratio, and gas-liquid tests in the pool. Applicant further seeks the designation of oil areas and gas areas in the pool with allowables within each area equalized on a per-acre basis and total withdrawals from the gas area to be volumetrically equivalent to the total withdrawals from the oil area.

Applicant further seeks to extend the vertical limits of the Blinebry Pool down to the top of the Tubb Pool.

Also to be considered by the Commission on its own motion will be amendment of the special rules and regulations to require that intermediate- or low-pressure gas be charged against a well's allowable; elimination of the requirement to conduct bottom-hole pressure, gas-oil ratio, and gas-liquid tests; and to require that all gas production be reported on Form C-111.

CASE 4779: (Continued from the July 26, 1972, Examiner Hearing)

Application of Merrion & Bayless for a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the SE/4 of Section 35, Township 30 North, Range 12 West, within one mile of Flora Vista-Mesaverde Pool, San Juan County, New Mexico, to be dedicated to its Carnahan Well No. 1 located in Unit P of said Section 35.

CASE 4798: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider revision of Rule 701 E of the Commission Rules and Regulations to provide for unrestricted allowables for water-flood projects and to eliminate the necessity of response for administrative approval of additional injection wells.

CASE 4799: In the matter of the hearing called by the Oil Conservation Commission on its own motion to amend Rule 306 of the Commission Rules and Regulations to incorporate therein the provisions of Order No. R-4070 which regulate the flaring or venting of casinghead gas.

CASE 4807: In the matter of the hearing called by the Oil Conservation Commission on its own motion for the amendment of Rule 104 C. I of the Commission Rules and Regulations to permit the drilling of development oil wells as close as 330 feet to another well on the same unit drilling to or capable of producing from the same pool.

CASE 4800: Application of Mobil Oil Corporation for waterflood expansion and capacity allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to expand its Bridges State Waterflood Project, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico, by the addition of its Bridges State Wells Nos. 12 and 174 located, respectively, in Unit P of Section 26 and Unit J of Section 15, Township 17 South, Range 34 East.

Applicant further seeks the assignment of capacity allowable to said Well No. 12.

CASE 4801: Application of The Petroleum Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Parkway West Unit Area comprising 3840 acres, more or less, of State lands in Sections 20, 21, 22, 27, 28, and 29 of Township 19 South, Range 29 East, Eddy County, New Mexico.

CASE 4802: Application of Crown Central Petroleum Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Grayburg formation in the open-hole interval from 4011 feet to 4083 feet in its Fred Turner Well No. 2 located in Unit O of Section 6, Township 20 South, Range 38 East, Skaggs (Grayburg) Pool, Lea County, New Mexico.

CASE 4803: Application of Yates Petroleum Corporation to directionally drill and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter a dry hole having an unorthodox surface location 1980 feet from the North line and 660 feet from the East line of Section 25, Township 18 South, Range 25 East, Eddy County, New Mexico, and to directionally drill in such a manner as to bottom the well in the West Atoka-Morrow Gas Pool at an unorthodox bottom hole location 500 feet from the North line and 600 feet from the East line of said Section 25. The N/2 of said Section 25 to be dedicated to the well.

CASE 4804: Application of Dugan Production Corporation for downhole commingling and a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to Rule 303 of the Commission Rules and Regulations, authority to commingle oil production from the Amarillo-Gallup Oil Pool and gas from the

(Case 4804 continued)

Basin-Dakota Pool in the wellbore of its Fullerton Well No. 1 located 1850 feet from the North and West lines of Section 34, Township 28 North, Range 13 West, San Juan County, New Mexico. Applicant further seeks approval for a non-standard 160-acre gas proration unit for the Basin-Dakota Pool comprising the NW/4 of said Section 34 to be dedicated to the subject well.

CASE 4805: Application of W. C. Montgomery for a non-standard proration unit, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for an 80-acre non-standard oil proration unit comprising the NE/4 NE/4 of Section 20 and the NW/4 NW/4 of Section 21, Township 8 South, Range 38 East, Bluit-San Andres Associated Pool, Roosevelt County, New Mexico, to be dedicated to a well to be drilled in the NE/4 NE/4 of said Section 20.

CASE 4806: Southeastern New Mexico nomenclature case calling for an order for the creation, extension, contraction and abolishment of certain pools in Lea, Chaves, Eddy and Roosevelt Counties, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Cisco production and designated as the Boyd-Cisco Gas Pool. The discovery well is the David Fasken Arco "9" Morrison No. 1 located in Unit B of Section 9, Township 19 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
SECTION 9: N/2

(b) Create a new pool in Chaves County, New Mexico, classified as an oil pool for Queen production and designated as the South Lucky Lake-Queen Pool. The discovery well is the Dalport Oil Corporation Todhunter Federal No. 1 located in Unit F of Section 22, Township 15 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 22: SE/4 NW/4

(c) Create a new pool in Lea County, New Mexico, classified as a gas pool for Devonian production and designated as the East Ranger Lake-Devonian Gas Pool. The discovery well is the Union Texas Petroleum Corporation Shell State Com No. 1 located in Unit E of Section 6, Township 13 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 35 EAST, NMPM
SECTION 6: W/2

(d) Abolish the Penrose Skelly-Grayburg Pool in Lea County,
New Mexico, described as:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

SECTION 13: E/2

SECTION 24: E/2

SECTION 25: NE/4 and E/2 SE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

SECTION 4: Lots 3, 4, 5, 6, 11, 12
13, 14 and SW/4

SECTION 7: S/2

SECTION 8: S/2 and NE/4

SECTION 9: W/2

SECTION 16: S/2 and NW/4

SECTION 17: A11

SECTION 18: A11

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

SECTION 19: A11

SECTION 20: A11

SECTION 21: A11

SECTION 27: A11

SECTION 28: A11

SECTION 29: A11

SECTION 30: A11

SECTION 31: A11

SECTION 32: A11

SECTION 33: A11

SECTION 34: A11

SECTION 35: A11

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

SECTION 2: A11

SECTION 3: A11

SECTION 4: A11

SECTION 5: A11

SECTION 6: E/2

SECTION 7: NE/4

SECTION 8: A11

SECTION 9: A11

SECTION 10: A11

SECTION 11: A11

SECTION 14: A11

SECTION 15: A11

SECTION 16: A11

SECTION 17: E/2

(Case 4806 continued)

(e) Extend the vertical limits of the Langlie-Mattix Pool in Lea County, New Mexico, to include the Grayburg formation. Also, extend said Langlie Mattix Pool to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

SECTION 13: E/2
SECTION 24: E/2
SECTION 25: NE/4 and E/2 SE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

SECTION 4: Lots 3, 4, 5, 6, 11, 12,
13, 14 and SW/4
SECTION 7: S/2
SECTION 8: S/2 and NE/4
SECTION 9: W/2
SECTION 16: S/2 and NW/4
SECTION 17: All
SECTION 18: All
SECTION 19: All
SECTION 20: All
SECTION 21: All

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

SECTION 27: All
SECTION 28: All
SECTION 29: All
SECTION 30: All
SECTION 31: All
SECTION 32: All
SECTION 33: All
SECTION 34: All
SECTION 35: All

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

SECTION 2: All
SECTION 3: All
SECTION 4: All
SECTION 5: All
SECTION 6: E/2
SECTION 7: NE/4
SECTION 8: All
SECTION 9: All
SECTION 10: All
SECTION 11: All
SECTION 14: All
SECTION 15: All
SECTION 16: All
SECTION 17: E/2

(f) Contract the Bagley-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
SECTION 33: N/2 NW/4

(g) Extend the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
SECTION 35: N/2 NW/4

(h) Contract the Bough-Permo Pennsylvanian Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
SECTION 17: NW/4

(i) Extend the North Benson Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 26: S/2 SW/4

(j) Extend the Bluit-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
SECTION 8: NW/4

(k) Extend the South Carlsbad-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
SECTION 7: W/2
SECTION 18: N/2

(l) Extend the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
SECTION 7: S/2
SECTION 18: N/2

(m) Extend the Dos Hermanos-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM
SECTION 22: All
SECTION 27: All

- (n) Extend the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
SECTION 6: S/2

- (o) Extend the Fowler-Upper Yaso Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
SECTION 10: SE/4
SECTION 11: SW/4

- (p) Extend the Golden Lane-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
SECTION 4: Lot 9, 10, 11, 12, 13, 14,
15 and 16

- (q) Extend the Grayburg-Jackson Pool in Eddy County New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
SECTION 9: S/2

- (r) Extend the Hardy-Blaine Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 2: SW/4

- (s) Extend the McDonald-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 36 EAST, NMPM
SECTION 33: SE/4

- (t) Extend the Sand Dunes-Cherry Canyon Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
SECTION 26: NW/4 NE/4

- (u) Extend the Sulimar-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 27: SE/4 SE/4
SECTION 34: NE/4 NE/4

- (v) Extend the Vada-Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:

(v continued from page 7 - Case 4806)

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM
SECTION 34: SE/4

(w) Extend the Vest Ranch-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM
SECTION 21: SE/4

(x) Extend the Washington Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 24 EAST, NMPM
SECTION 27: All
SECTION 35: W/2

TOWNSHIP 26 SOUTH, RANGE 24 EAST, NMPM
SECTION 3: All
SECTION 4: E/2

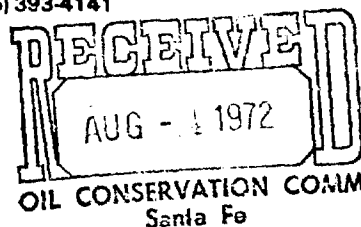
CASE 47861 (Continued from August 9, 1972, Examiner Hearing).

Application of Highland Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the open-hole interval from 4378 feet to 4418 feet in its Russell Federal Well No. 6 located in Unit K of Section 20, Township 26 South, Range 32 East, East Mason-Delaware Pool, Lea County, New Mexico.



L. P. Thompson
Division Manager
Production Department
Hobbs Division

Western Hemisphere Petroleum Division
Continental Oil Company
P.O. Box 460
1001 North Turner
Hobbs, New Mexico 88240
(505) 393-4141



August 3, 1972

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. A. L. Porter, Jr.
Secretary Director

Gentlemen:

Mobil- Bridges State Waterflood Project, Vacuum Grayburg San Andres Pool,
Lea County, New Mexico

Continental has received a letter dated July 10, 1972, addressed to you requesting that its Bridges State Well No. 12, located in Unit P of Section 26, Township 17 South, Range 34 East, be considered for Administrative and allowable purposes as a part of the project area for their Bridges State Waterflood. Continental Oil Company is an offset operator to this well and has no objection to the well being included in the project area so that it can produce a higher allowable than that which would be afforded it under the Commission's normal allowable rules.

Yours very truly,

rw
CC:
Mobil Oil Corporation
P. O. Box 633
Midland, Texas 79701

Attention Mr. Ira B. Stitt

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

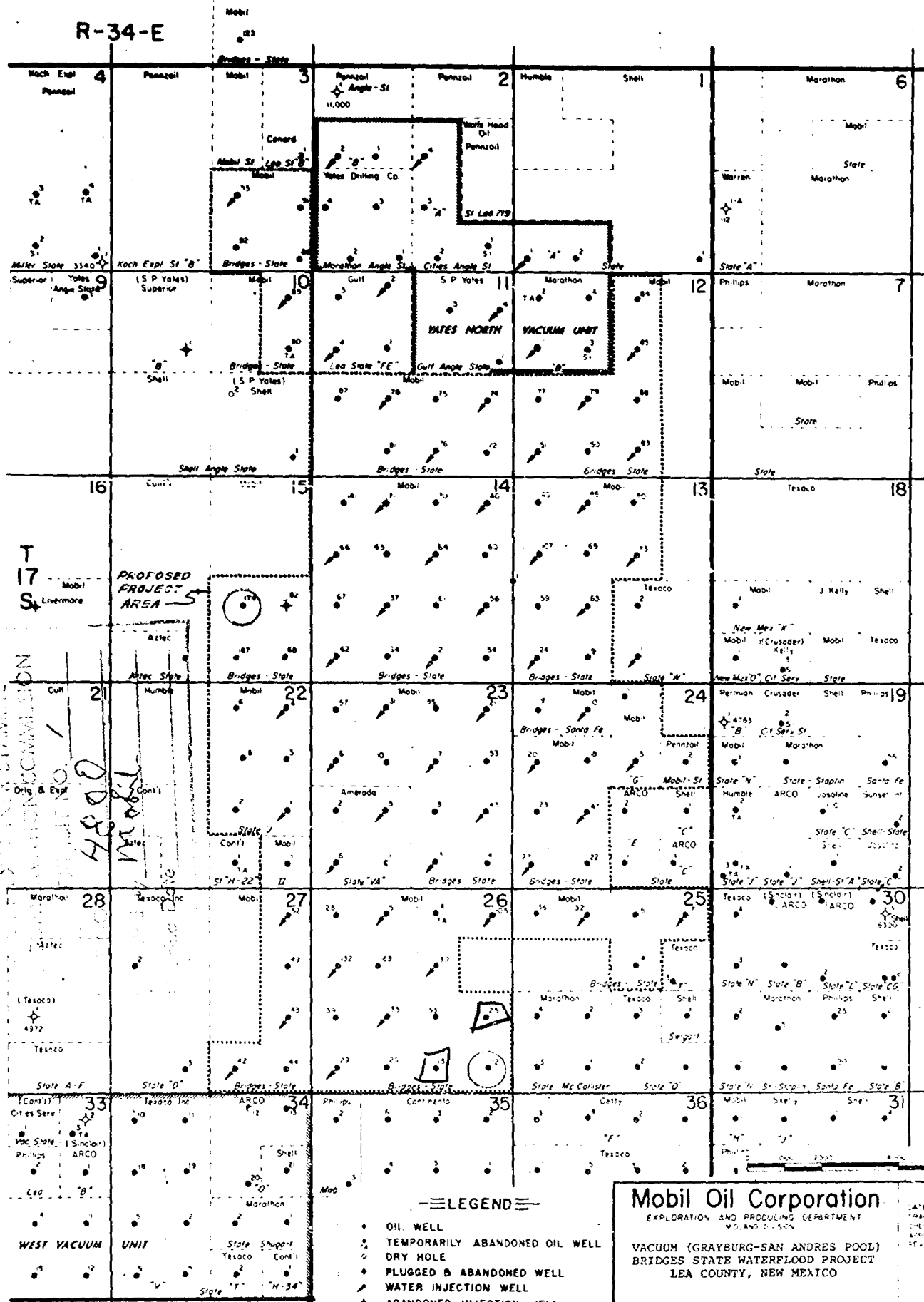
RLA

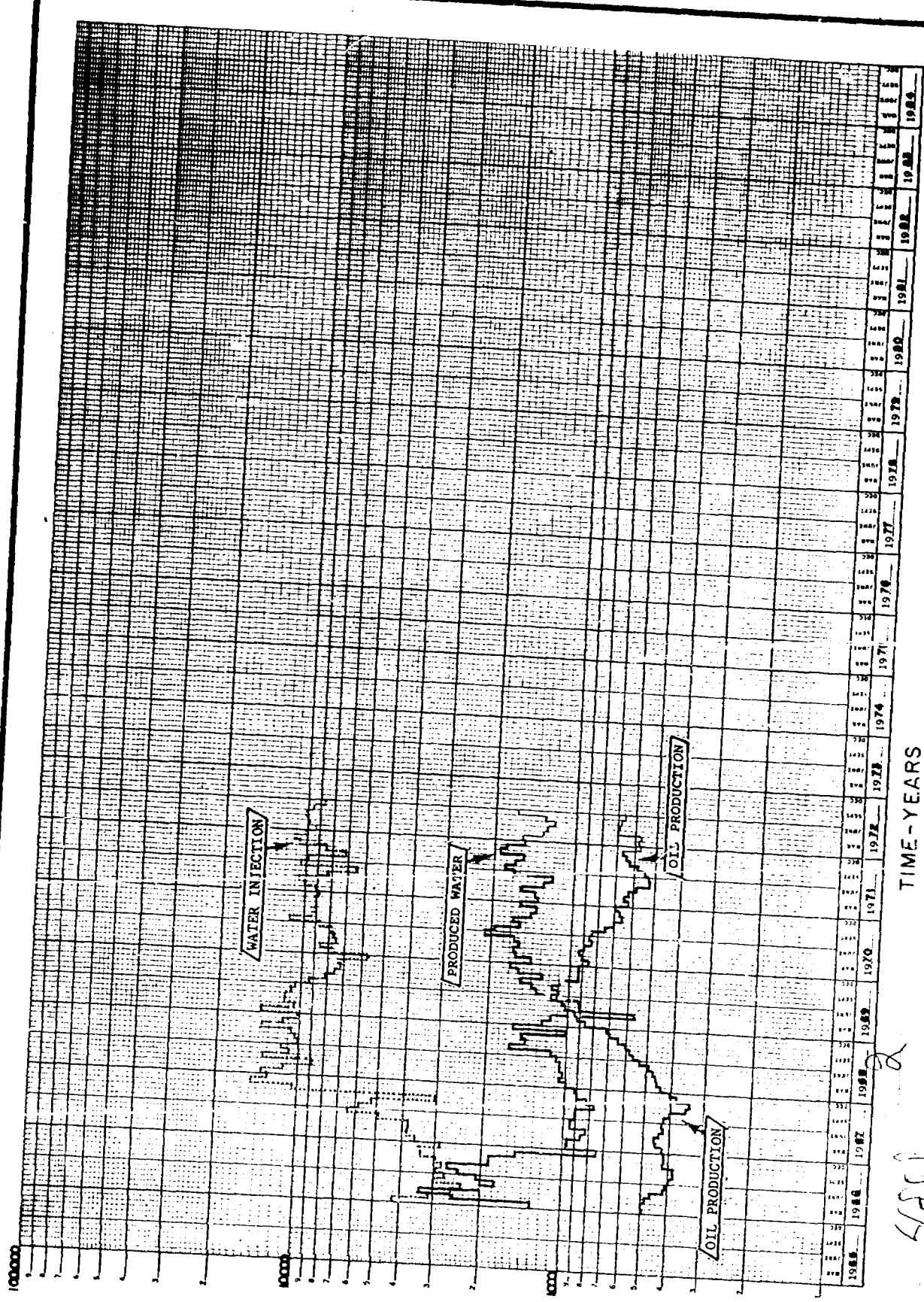
Grp
file - Case 4800

DOCKET 10010

EX 8-11-72

R-34-E

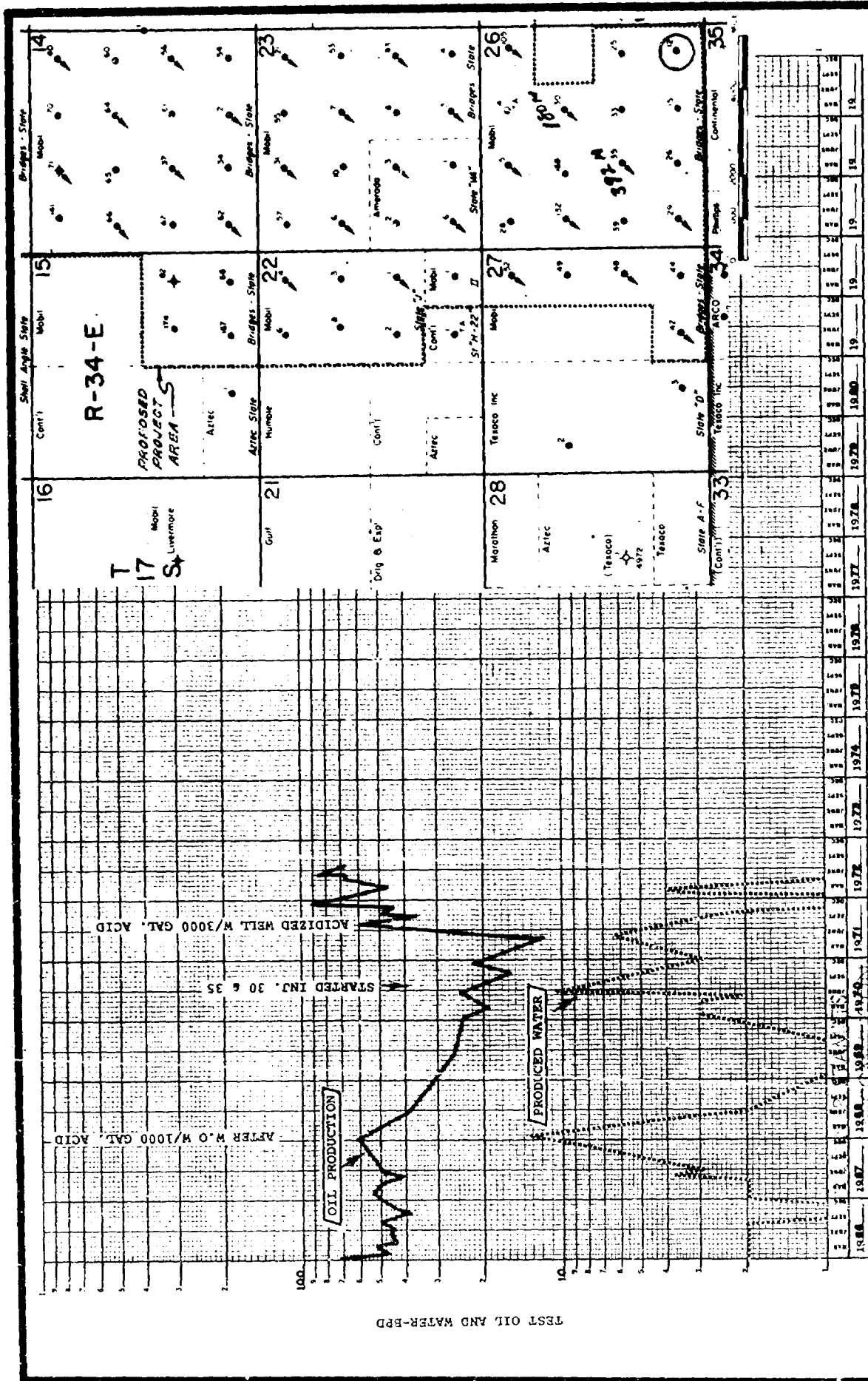




VACUUM BRIDGES

Mobil Oil Corporation
 EXPLORATION AND PRODUCTION DEPARTMENT
 PRODUCTION HISTORY
 BRIDGES STATE CO-OP
 VACUUM SA
 LEA COUNTY, NEW MEXICO

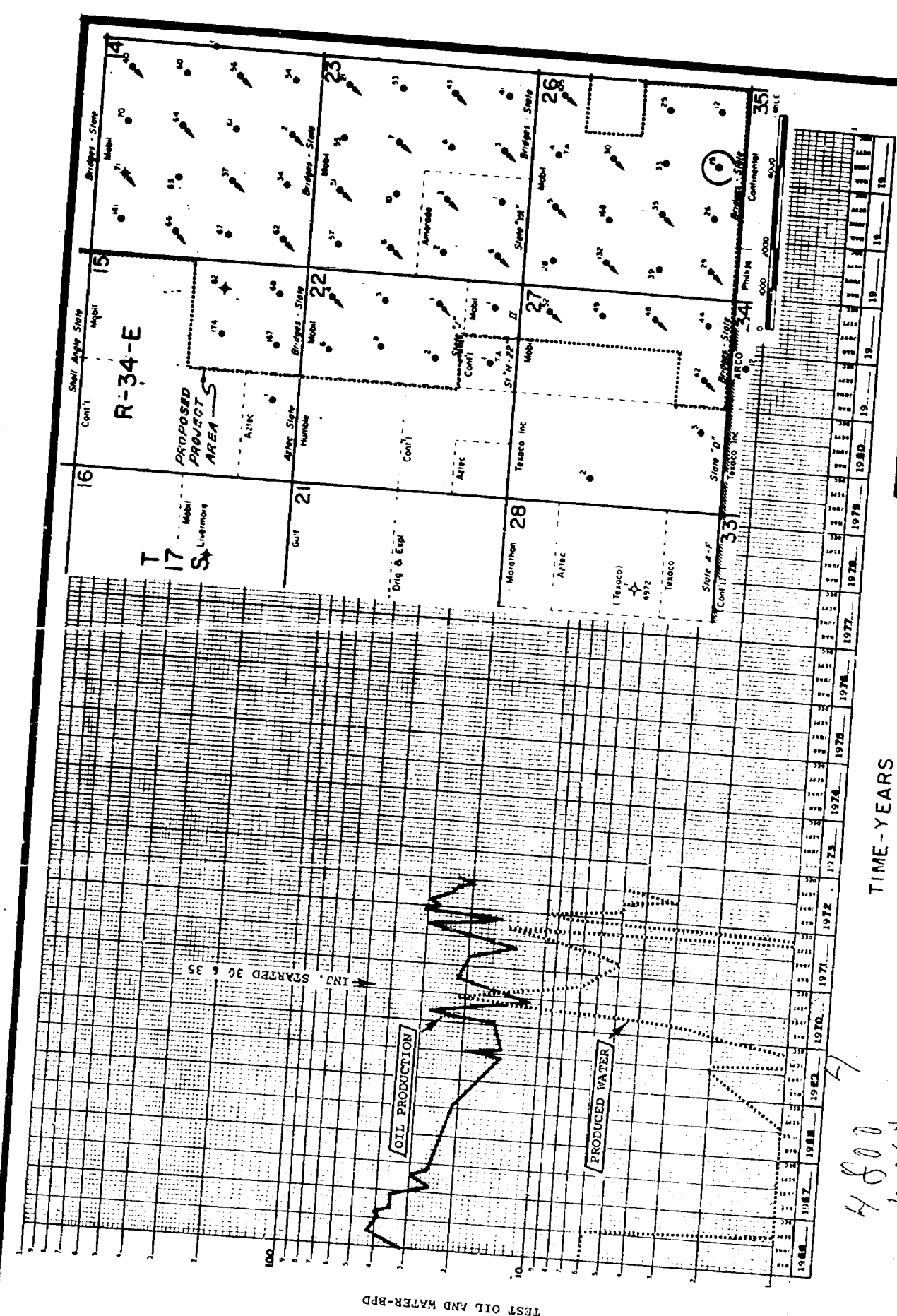
4506
 6/18/84



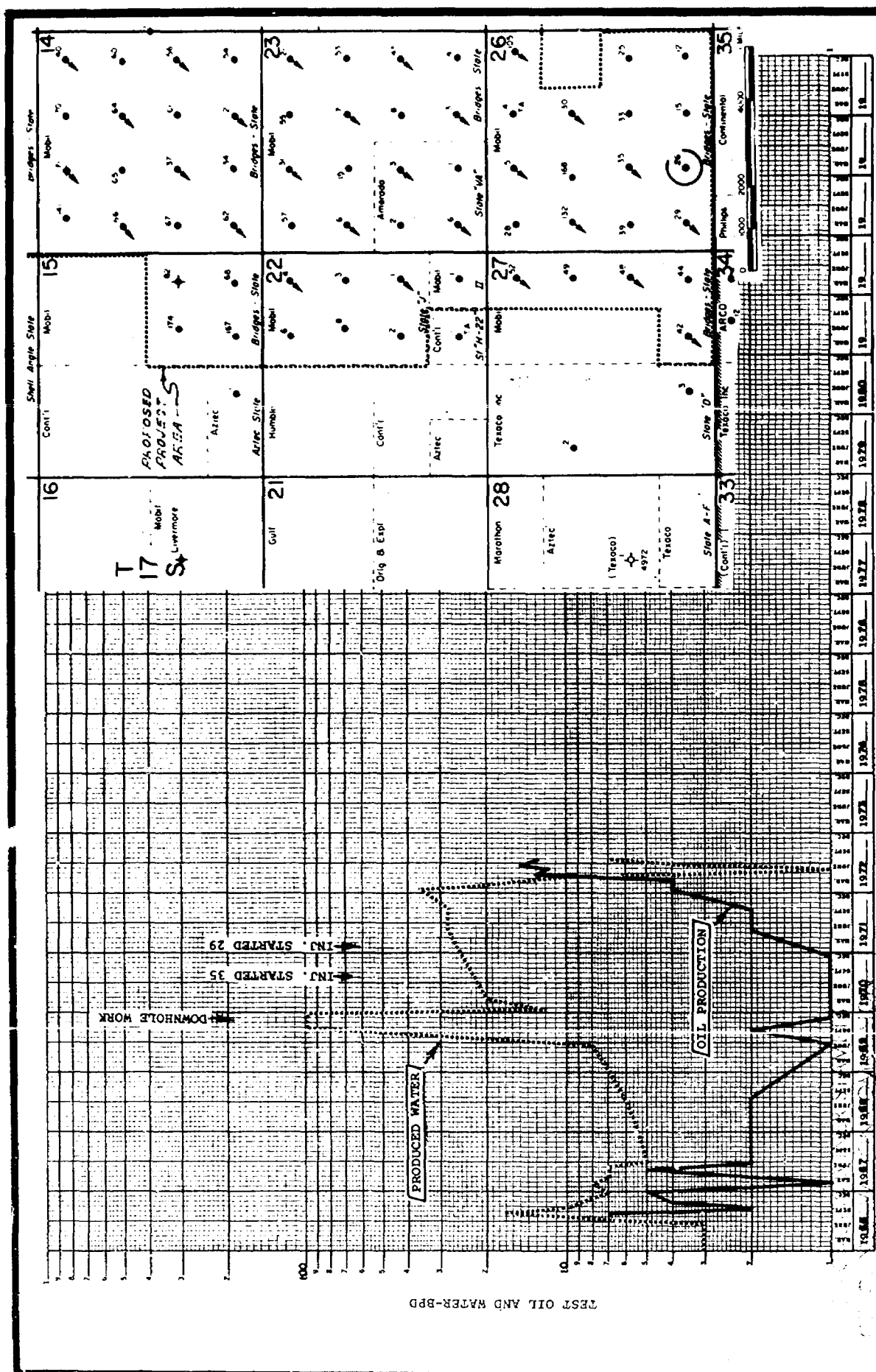
TIME-YEARS

Mobil Oil Corporation
EXPLORATION AND PRODUCTION DEPARTMENT
TEST HISTORY
BRIDGES STATE WELL NO. 12
BRIDGES STATE WATERFLOOD PROJECT
VACUUM (GRAYBURG-SAN ANDRES POOL)
LEA COUNTY, NEB MEXICO

4800
mobil



Mobil Oil Corporation
 EXPLORATION AND PRODUCTION DEPARTMENT
 TEST HISTORY
 BRIDGES STATE WELL NO. 15
 BRIDGES STATE WATERFLOOD PROJECT
 VACUUM (GRAYBURG-SAN ANDRES POOL)
 LEA COUNTY, NEW MEXICO



Mobil Oil Corporation
 EXPLORATION AND PRODUCTION DEPARTMENT
 BRIDGES STATE WELL NO. 26
 BRIDGES STATE WATERFLOOD PROJECT
 VACUUM (GRAYBURG-SAN ANDRES POOL)
 LEA COUNTY, NEW MEXICO

TEST HISTORY

4/8/80

mod

TEST OIL AND WATER-212

1968 1969 1970 1971 1972 1973 1974

1968 JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC 1969 JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC 1970 JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC 1971 JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC 1972 JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC 1973 JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC 1974 JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

OIL PRODUCTION

PRODUCED WATER

INJ. STARTED 30 & 35

WELL PULLED

CASE NO. 79000

Wahl

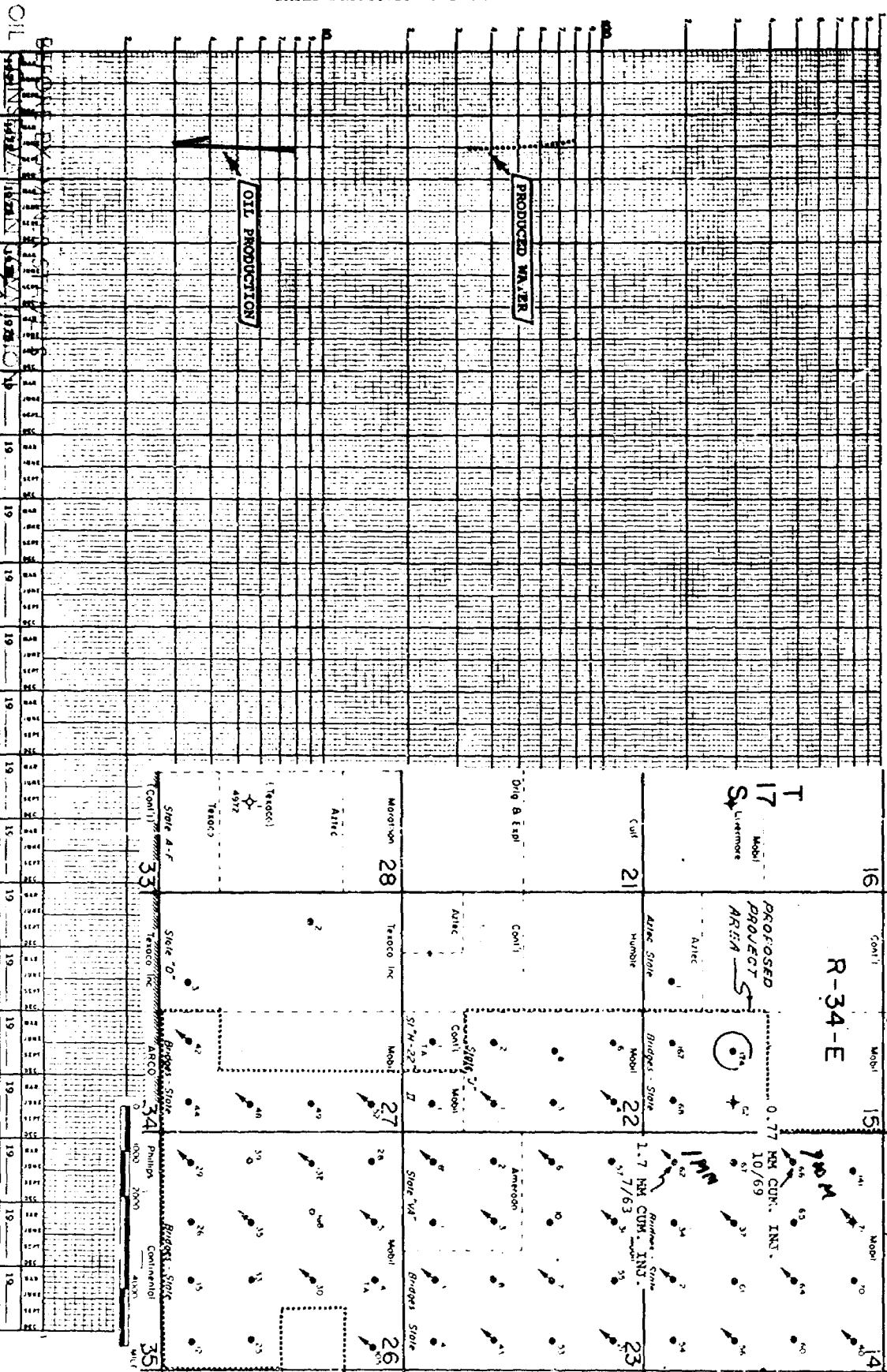
[illegible]

Mobil Oil Corporation
EXPLORATION AND PRODUCING DEPARTMENT
Inland Division
TEST HISTORY
BRIDGES STATE WELL NO. 33
BRIDGES STATE WATERFLOOD PROJECT
VACUUM (GRAINYBURG-SAN ANDRES POOL)
LEA COUNTY, NEW MEXICO

Mobil Oil Corporation
EXPLORATION AND PRODUCING DEPARTMENT
INTERNAL DIVISION
NEW YORK, N.Y.

DATE 8/17/72
SPECIES OF *S. v. n.*
COLLECTOR WBS
LOCALITY
SEX

DAILY PRODUCTION-OIL AND WATER



TIME-YEARS

CASE NO.

480

Submitted by

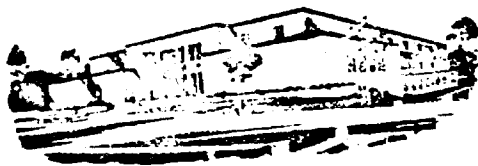
Miller

History Date

Mobil Oil Corporation
EXPLORATION AND PRODUCTION DEPARTMENT
PRODUCTION HISTORY
BRIDGES STATE WELL NO. 174
BRIDGES STATE WATERFLOOD PROJECT
VACUUM (GRAYBURG-SAN ANDRES POOL)
LEA COUNTY, NEW MEXICO

2573

State of New Mexico



Commissioner of Public Lands

August 1, 1972



ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

Mobil Oil Corporation
P. O. Box 633
Midland, Texas 79701

RECEIVED
AUG 3, 1972

Re: BRIDGES STATE WATERFLOOD PROJECT
ORDER NO. R-1244. VACUUM
(GRAYBURG-SAN ANDRES) POOL
LEA COUNTY, NEW MEXICO

ATTENTION: Mr. Ira B. Stitt

Gentlemen:

Reference is made to your letters of July 6, 10, and 18 of 1972, whereby you request that the following wells be included in the Bridges State Waterflood Project Area. This office has no objection to the inclusion of these wells to the Project Area. This is subject to like acceptance by the New Mexico Oil Conservation Commission.

Lease Name & No.	Well No.	Unit Letter	Section	Township	Range
State J (B-1519)	8	G	22	17S	34E
Bridges St. (B-1520-1)	12	P	26	17S	34E
Bridges St. (B-1520-1)	174	J	15	17S	34E
State II (B-2354-2)	1	P	22	17S	34E

Very truly yours,

Ray D. Graham
RAY D. GRAHAM, Director
Oil and Gas Department

AJA/RDG/s
cc:

New Mexico Oil Conservation Commission
Leases B-1519, B-1520-1, and B-2354-2

4/8/10
mhl



*4/15/72
Hq. File*

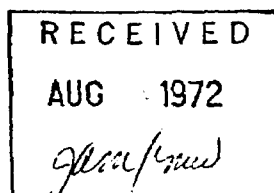
L. P. Thompson
Division Manager
Production Department
Hobbs Division

Western Hemisphere Petroleum Division
Continental Oil Company
P.O. Box 460
1001 North Turner
Hobbs, New Mexico 88240
(505) 393-4141

August 3, 1972

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. A. L. Porter, Jr.
Secretary Director



Gentlemen:

Mobil- Bridges State Waterflood Project, Vacuum Grayburg San Andres Pool,
Lea County, New Mexico

Continental has received a letter dated July 10, 1972, addressed to you requesting that its Bridges State Well No. 12, located in Unit P of Section 26, Township 17 South, Range 34 East, be considered for Administrative and allowable purposes as a part of the project area for their Bridges State Waterflood. Continental Oil Company is an offset operator to this well and has no objection to the well being included in the project area so that it can produce a higher allowable than that which would be afforded it under the Commission's normal allowable rules.

Yours very truly,

SIGNED: L. P. THOMPSON

rw
CC:
Mobil Oil Corporation
P. O. Box 633
Midland, Texas 79701

Attention Mr. Ira B. Stitt

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

RLA

*4/18/00
mishel
10*

Memo

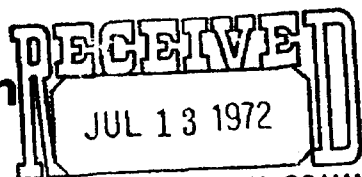
From

J. E. KAPTEINA
ENGINEER

To XM Hatch
Bill Simmons called &
asked what this case he
set for Aug 23 rather
than the 9th. Conflicts
w/ leaving in Austin on
the 9th

JEK

Mobil Oil Corporation



OIL CONSERVATION COMM.
Santa Fe July 10, 1972

P.O. BOX 633
MIDLAND, TEXAS 79701

Case 4800

New Mexico Oil Conservation Commission
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. A. L. Porter, Jr.

BRIDGES STATE WATERFLOOD PROJECT
ORDER NO. R-1244, VACUUM
(GRAYBURG-SAN ANDRES) POOL
LEA COUNTY, NEW MEXICO

Gentlemen:

Mobil Oil Corporation respectfully requests that the wells listed below and indicated with a red circle on the accompanying map be included in the project area of the Bridges State Waterflood Project.

<u>Lease Name</u>	<u>Well No.</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
Bridges State	12	P	26	17S	34E
Bridges State	174	J	15	17S	34E

Well #12 is located at the extreme south edge of the Bridges State Waterflood Project. It was acidized on July 25, 1971 to clean out the well bore and increase production. On August 2, 1971, it potentialized for 61 barrels of oil per day. This rate of production was short-lived because by October 6, 1971 the well tested for only 37 barrels of oil per day. However, as shown on the attached production tests tabulation, production from this well increased from 37 to 85 barrels of oil per day between October 6, 1971 and June 18, 1972. It is Mobil's opinion that the latter increase is waterflood response and not a result of the acid treatment. Injection wells nearest Well #12 are Nos. 30 and 35. Injection began in these two wells in July, 1970 and has continued ever since.

In Case No. 4368 (de novo) held before the Commission on September 16, 1970, Mobil requested authority to convert Wells 14, 15 and 25, located respectively in Unit G of Section 25 and Units O and I of Section 26, Township 17 South, Range 34 East, Lea County, New Mexico. The Commission denied Mobil's Application on the 10th day of November, 1970. Because this application was denied and Wells 15 or 25 could not be converted to injection service, Well #12 does not qualify under Rule 701-E to be included in the project area. However, it

8-11-72

July 10, 1972

is respectfully requested that the Commission consider placing this well in the project area by administrative action.

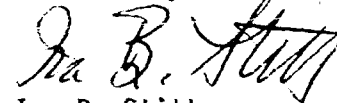
As stated earlier, Well #12 on the latest test pumped 85 barrels of oil per day. It is likely that the producing ability of this well will continue to improve. In order to prevent oil resulting from Mobil's waterflood efforts being swept off our lease, Well #12 needs to be produced at capacity.

Well #174, located on the west side of the waterflood project, was completed on May 15, 1972. It potentialled for 4 barrels of oil and 82 barrels of water per day. To eliminate paper work and separate reporting, it is requested that this well be placed in the project area by administrative action.

Should the Commission conclude that these wells cannot be placed in the project area administratively, please set this matter for hearing before an Examiner at the earliest possible Examiner Hearing.

If a hearing is necessary, it is further requested that Well #12 be granted a temporary capacity allowable until such time as the results of the hearing are made known.

Yours truly,



Ira B. Stitt
Division Operations Engineer

ADBond/eg

Attachments

cc: NMOCC - Dist. 1, Hobbs, w/attach.

Commissioner of Public Lands w/attach.

Offset Operators - See attached list

PRODUCTION TESTS
 MOBIL OIL CORPORATION'S
 BRIDGES STATE LEASE, WELL #12
 VACUUM (GRAYBURG-SAN ANDRES) POOL
 LEA COUNTY, NEW MEXICO

<u>TEST DATES</u>	<u>BBLs.</u>	
	<u>Oil</u>	<u>Water</u>
June, 1969	26	0
Jan., 1970	24	3
Feb., 1970	22	11
Mar., 1970	19	3
June, 1970	25	0
Oct., 1970	16	2
Dec., 1970	22	3
May, 1971	16	6
Oct. 6, 1971	37	2
Oct. 24, 1971	50	1
Nov., 1971	45	1
Jan. 3, 1972	70	1
Jan. 28, 1972	76	3
Feb., 1972	56	4
Mar., 1972	48	0
Apr., 1972	57	0
May, 1972	67	1
June, 1972	85	1

ADB/eg
 7-7-72

OFFSET OPERATORS
BRIDGES STATE WATERFLOOD PROJECT
VACUUM (GRAYBURG-SAN ANDRES) POOL
LEA COUNTY, NEW MEXICO

Atlantic Richfield Company
Box 1610
Midland, Texas 79701

Aztec Gas System, Inc.
603 Wall Tower West
Midland, Texas 79701

Cenard Oil & Gas Company
400 Expressway Tower
Dallas, Texas 75206

Continental Oil Company
Box 431
Midland, Texas 79701

Getty Oil Company
Box 1231
Midland, Texas 79701

Gulf Oil Company - U.S.
Box 1150
Midland, Texas 79701

Humble Oil & Refining Company
Box 1600
Midland, Texas 79701

Marathon Oil Company
Box 552
Midland, Texas 79701

Pennzoil United, Inc.
Box 1828
Midland, Texas 79701

The Permian Corporation
1509 West Wall
Midland, Texas 79701

Phillips Petroleum Company
Phillips Building
4th & Washington
Odessa, Texas 79760

Shell Oil Company
Box 1509
Midland, Texas 79701

Texaco Inc.
Box 3109
Midland, Texas 79701

State of New Mexico



Case 4800

Commissioner of Public Lands

August 1, 1972

ALEX J. ARMIJO
COMMISSIONER

P. O. BOX 1148
SANTA FE, NEW MEXICO

Mobil Oil Corporation
P. O. Box 633
Midland, Texas 79701

Re: BRIDGES STATE WATERFLOOD PROJECT
ORDER NO. E-1244. VACUUM
(GRAYBURG-SAN ANDRES) POOL
LEA COUNTY, NEW MEXICO

ATTENTION: Mr. Ira B. Stitt

Gentlemen:

Reference is made to your letters of July 6, 10, and 13 of 1972, whereby you request that the following wells be included in the Bridges State Waterflood Project Area. This office has no objection to the inclusion of these wells to the Project Area. This is subject to like acceptance by the New Mexico Oil Conservation Commission.

<u>Lease Name & No.</u>	<u>Well No.</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
State J (B-1519)	8	G	22	17S	34E
Bridges St. (B-1520-1)	12	P	26	17S	34E
Bridges St. (B-1520-1)	174	J	15	17S	34E
State II (B-2354-2)	1	P	22	17S	34E

Very truly yours,

Ray A. Graham

RAY L. GRAHAM, Director
Oil and Gas Department

AJA/RDS/s

cc: New Mexico Oil Conservation Commission ✓

Leases B-1519, B-1520-1, and B-2354-2

DRAFT.

GMH/dr

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. 4800

Order No. R-4385

APPLICATION OF MOBIL OIL
CORPORATION FOR WATERFLOOD
EXPANSION AND CAPACITY ALLOWABLE,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 23, 1972,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 24th day of August, 1972, 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, Mobil Oil Corporation, seeks permission
to expand the Bridges State Waterflood Project in the Vacuum
Grayburg-San Andres Pool, Grayburg-San Andres formation, by
~~the addition of~~ its Bridges State Wells Nos. 12 and 174, located,
respectively, in Unit P of Section 26 and Unit J of Section 15,
Township 17 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) That said wells are located adjacent to applicant's Bridges State Water Flood Project in said pool but are not ~~not~~ directly or diagonally offset by an injection well in the project.

(4) That said wells have experienced a response to the injection of water into the Bridges State Water Flood Project.

(5) That if said wells are not permitted to produce ~~the oil~~ at rates commensurate with wells in their Bridges State Water Flood Project in accordance with Commission Rule 701 E, oil may be swept past the wells ~~causing waste~~ and lost to ~~an~~ undrilled acreage or across lease lines.

~~(6) That with expansion of the said project area sufficient wellhead leases may be assigned the wells~~

(6) That expansion of the Bridges State Water Flood ~~project~~ project area to include applicant's said wells No 12 and No 174 will tend to prevent waste and protect correlative rights.

(7) That Applicant's request for assignment of capacity allowable ~~to~~ to its Bridges State Well No 12 in unit P of ~~Section 26~~, ~~Township 17 South, Range 34 East~~, said Section 26 should be dismissed, as said request is made unnecessary ^{by} ~~by~~ Order No. R-4381.

(8) That said well No. 12 has been producing with a temporary allowable in excess of the top pool allowable and that any production ^{by this well} in excess of the top pool ^{during the temporary allowable period} should be legal oil and should not be made up by under production.
IT IS THEREFORE ORDERED

(1) That Mobil Oil Corporation's Bridges State Water Flood Project is hereby expanded to include unit J of Section 15 and unit P of Section 26, both in Township 17 South, Range 34 East, NMPM, Vacuum (Grogberg-San Andres) Pool, Lea County, New Mexico.

(2) That monthly progress reports of the expanded water-flood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) That any production in excess of the top pool allowable produced by applicant's Bridges State Well No 12 in said Section 26 under a temporary allowable in excess of the top pool allowable shall be legal oil provided that it was not in excess of said temporary allowable.

IT IS FURTHER ORDERED

(1) That the applicant's request for the assignment of capacity allowable to its Bridges State Mill No 12 in unit P of said Section 26 is hereby dismissed.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.