

*Entered July 12, 1963  
(L.P.)*

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. 2805  
Order No. R-2178-C

APPLICATION OF NEWMONT OIL  
COMPANY FOR AN AMENDMENT OF  
ORDER NO. R-2178-B.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 15, 1963, at Roswell, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 11th day of June, 1963, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 Order No. R-2178-B established an administrative procedure authorizing Newmont Oil Company to convert wells to injection by stages within its Loco Hills Sand Unit Waterflood Project Area, Eddy County, New Mexico.

(3) That Order No. R-2178-B established five stages for conversion to water injection with specific dates for operation of each stage of the flood.

(4) That although the applicant attempted in good faith to comply with the provisions of Order No. R-2178-B, the applicant was unable to finalize the unit agreement in time to comply with the specific dates set out in Order No. R-2178-B.

(5) That the applicant now seeks an amendment of Order No. R-2178-B to provide that Stage I will commence six months after the effective date of the unit agreement and that each successive stage of conversion will commence at six months intervals thereafter.

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(6) That approval of the subject application will allow the operator to recover otherwise unrecoverable oil, thereby preventing waste.

IT IS THEREFORE ORDERED:

(1) That Order No. R-2178-B is hereby amended by deleting therefrom any and all reference to specific dates for commencement or expiration of any and all stages for conversion to water injection and by addition of the following provision:

That Stage I of conversion to water injection shall not commence until six months after approval of the unit agreement by the Director of the United States Department of Interior or his authorized representative, and that each successive stage of conversion to water injection shall commence at six months intervals thereafter.

PROVIDED HOWEVER, That this order shall not be effective unless the Director of the United States Department of Interior or his authorized representative approves the unit agreement on or before September 1, 1963.

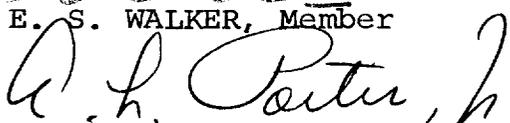
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JACK M. CAMPBELL, Chairman

  
E. S. WALKER, Member

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

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