

Entered October 22, 1968
A. I. 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. 3878
Order No. R-3524

APPLICATION OF GENERAL AMERICAN OIL
COMPANY OF TEXAS FOR A WATERFLOOD
PROJECT, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 9, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 22nd day of October, 1968, 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, General American Oil Company of Texas, seeks permission to institute a waterflood project in the West Henshaw-Grayburg Pool by the injection of water into the Premier Sand of the Grayburg formation through two injection wells in Unit M of Section 8 and Unit G of Section 17, Township 16 South, Range 30 East, NMPM, Eddy County, New Mexico.
- (3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

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(5) 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.

IT IS THEREFORE ORDERED:

(1) That the applicant, General American Oil Company of Texas, is hereby authorized to institute a waterflood project in the West Henshaw-Grayburg Pool by the injection of water into the Premier Sand of the Grayburg formation through the following-described wells in Township 16 South, Range 30 East, NMPM, Eddy County, New Mexico:

Federal-Sivley Well No. 2, Unit M, Section 8
Federal-Sivley Well No. 7, Unit G, Section 17

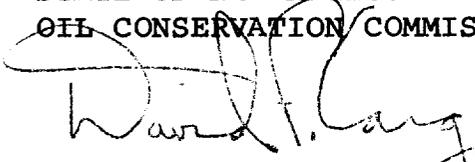
(2) That the subject waterflood project is hereby designated the General American Henshaw Sivley Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(4) 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


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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

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