

Entered November 18, 1970

A.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 UPON ITS OWN MOTION TO PERMIT ALLIED CHEMICAL CORPORATION TO APPEAR AND SHOW CAUSE WHY SAID CORPORATION SHOULD BE PERMITTED TO INSTITUTE ITS PROPOSED WATERFLOOD PROJECT IN ITS MILNESAND (SAN ANDRES) UNIT AREA, MILNESAND-SAN ANDRES POOL, ROOSEVELT COUNTY, NEW MEXICO, BY THE INJECTION OF FRESH WATER.

CASE No. 4433
Order No. R-3770-A

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 30, 1970, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of November, 1970, 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 Order No. R-3770, dated May 28, 1969, authorized Allied Chemical Corporation to institute a waterflood project in its Milnesand (San Andres) Unit Area, Milnesand-San Andres Pool, by injection into the San Andres formation through 28 wells in Township 8 South, Ranges 34 and 35 East, NMPM, Roosevelt County, New Mexico.

(3) That the evidence presented during the hearing of Case 4140, which resulted in the issuance of said Order No. R-3770, was to the effect that up to 20,000 barrels of salt water per day from the Crossroads Siluro-Devonian Pool would be injected.

(4) That the evidence at said hearing indicated that Devonian water from the Crossroads-Devonian area is compatible with Milnesand-San Andres area water and should present no precipitation problem.

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(5) That Case 4433 was called by the Oil Conservation Commission on its own motion to permit Allied Chemical Corporation to appear and show cause why said corporation should be permitted to institute its proposed waterflood project in its Milnesand (San Andres) Unit Area by the injection of fresh water in lieu of produced salt water from said Crossroads Siluro-Devonian Pool.

(6) That Allied Chemical Corporation contends there is not available a dependable supply of produced salt water sufficient to meet the requirements of the aforesaid waterflood project through the life of the flood.

(7) That applicant's anticipated requirements for water for injection purposes is 20,000 barrels of water per day at initiation of flooding; that said requirements drop rapidly to 2000 barrels of water per day by 1978; that said requirements drop slowly thereafter to about 1100 barrels of water per day by 1983.

(8) That approximately 39,850 barrels of compatible produced Devonian salt water are being disposed of per day in the Crossroads Siluro-Devonian Field area at the present time.

(9) That the Crossroads Siluro-Devonian Pool is an active water drive pool, containing large volumes of salt water.

(10) That there are sufficient volumes of salt water available in the Crossroads Siluro-Devonian Pool area to constitute a dependable and adequate source of supply for the injection requirements of the subject waterflood project through the life of the flood.

(11) That the request of Allied Chemical Corporation to inject fresh water in its Milnesand Waterflood Project in lieu of produced salt water from the Crossroads Siluro-Devonian Pool area should be denied.

IT IS THEREFORE ORDERED:

(1) That the request of Allied Chemical Corporation to be permitted to inject fresh water in its Milnesand Waterflood Project, Milnesand (San Andres) Unit Area, Milnesand-San Andres Pool, Roosevelt County, New Mexico, is hereby denied.

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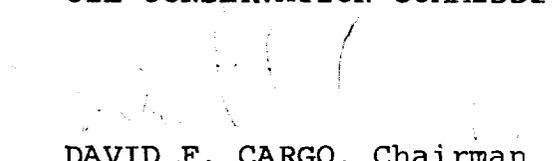
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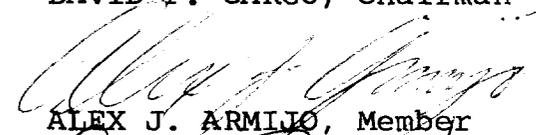
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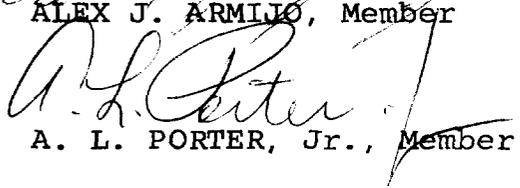
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMIJO, Member


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

S E A L

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