

Entered May 17, 1973
A.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. 4936
Order No. R-4521

APPLICATION OF TEXACO INC. FOR
A WATERFLOOD PROJECT, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 11, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 17th day of May, 1973, 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, Texaco Inc., seeks authority to institute a waterflood project in the Rhodes Yates Unit Area, Rhodes-Yates Pool, by the injection of water into the Yates-Seven Rivers formations through seven injection wells in Sections 21, 27 and 28, Township 26 South, Range 37 East, NMPM, Lea 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.

(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.

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IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to institute a waterflood project in the Rhodes Yates Unit Area, Rhodes-Yates Pool, by the injection of water into the Yates-Seven Rivers formations through the following-described seven wells in Township 26 South, Range 37 East, NMPM, Lea County, New Mexico:

<u>LEASE</u>	<u>WELL NO.</u>	<u>LOCATION</u>
State "JD" Unit	2	660' FNL and 660' FWL, Sec. 27
State "JD" Unit	4	650' FNL and 2310' FWL, Sec. 27
N.M. "AD" State	1	660' FNL and 1980' FWL, Sec. 28
Morris	2	1980' FNL and 660' FWL, Sec. 27
Morris	3	990' FSL and 2970' FEL, Sec. 27
State "A" 28	1	1980' FNL and 660' FEL, Sec. 28
H.G. Moberly "C" (NCT-2)	3	660' FSL and 660' FEL, Sec. 21

(2) That injection into each of said wells shall be through internally plastic-coated tubing set in a packer which shall be located as near as is practicable to the uppermost perforation, or in the case of open-hole completions, as near as is practicable to the casing-shoe; that the casing-tubing annulus of each injection well shall be loaded with an inert fluid and equipped with a pressure gauge at the surface.

(3) That the subject waterflood project is hereby designated the Texaco Rhodes-Yates Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(4) 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.

(5) 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


I. R. TRUJILLO, Chairman


ALEX J. ARMILLO, Member


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

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