

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 9590
ORDER NO. R-8760-A

APPLICATION OF MURPHY OPERATING
CORPORATION FOR AREA EXPANSION OF
A WATERFLOOD PROJECT, CHAVES
COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 3:15 a.m. on March 1, 1989, at Santa Fe, New Mexico, before Examiner Victor T. Lyon.

NOW, on this 14th day of March, 1989, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Murphy Operating Corporation, seeks authority to expand the Haley Chaveroo San Andres Waterflood Project area, authorized by Division Order No. R-8760, to include an additional 80 acres of state lands consisting of the NE/4 SE/4 and SW/4 SW/4 of Section 3, Township 2 South, Range 33 East, NMPM, Chaveroo-San Andres Pool, Haley Chaveroo San Andres Unit Area, Chaves County, New Mexico.

(3) The unit area has been expanded to include the above-described acreage under the provisions of Division Order No. R-8750-A

(4) Expansion of the project area as requested will serve the interests of conservation of oil and gas.

IT IS THEREFORE ORDERED THAT:

(1) The project area of the Haley Chaveroo San Andres Waterflood Project is hereby expanded by adding the NE/4 SE/4 and SW/4 SW/4 of Section 3, Township 2 South, Range 33 East, NMPM, Chaves County, New Mexico.

(2) The expanded area shall be subject to the terms and requirements of

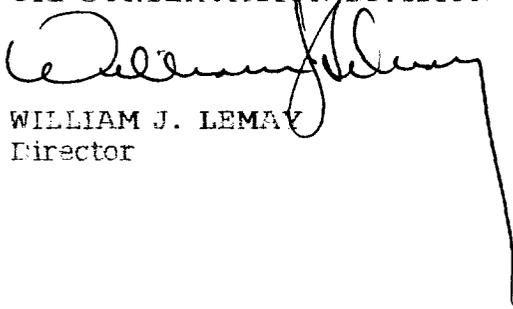
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Division Order No. R-8760.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

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