APPLICATION OF NEWMONT OIL COMPANY TO EXPAND ITS WEST LOCO HILLS GRAYBURG NO. 4 SAND UNIT WATER FLOOD PROJECT IN THE LOCO HILLS POOL IN EDDY COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER WFX NO. 146

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 701, Newmont Oil Company, has made application to the Commission on June 18, 1963, for permission to expand its West Loco Hills Grayburg No. 4 Sand Unit Water Flood Project in the Loco Hills Pool, Eddy County, New Mexico.

NOW, on this 3rd day of July, 1963, the Secretary-Director finds:

1. That application has been filed in due form.

2. That satisfactory information has been provided that all offset operators have been duly notified of the application.

3. That waivers of objection have been received from offsetting operators and the waiting period as prescribed by Rule 701, may be dispensed with at this time.

4. That the proposed injection wells are eligible for conversion to water injection under the terms of Rule 701.

5. That the proposed expansion of the above-referenced water flood project will not cause waste nor impair correlative rights.

6. That the application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Newmont Oil Company, be and the same is hereby authorized to inject water into the Grayburg formation through the following described wells for purposes of secondary recovery, to wit:

Dixon-Yates Ballard "A" Well No. 1, located in the SW/4 SE/4 of Section 1, Canfield "A" Well No. 7, located in the NE/4 NW/4 of Section 7, and Dixon-Yates Saunders "A" Well No. 1 located in the NE/4 NE/4 of Section 12, all in Township 18 South, Range 29 East, NMPM.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

A. L. PORTER, Jr., Secretary-Director