

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. 2909
Order No. R-2268-A

APPLICATION OF SINCLAIR OIL & GAS
COMPANY FOR THE EXTENSION OF A
WATERFLOOD PROJECT, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 25, 1963, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 17th day of October, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 by Order No. R-2268 dated June 21, 1962, the Commission authorized Sinclair Oil & Gas Company to institute a waterflood project in the Grayburg-Jackson Pool with the injection of water through seven wells in Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.
- (3) That the applicant, Sinclair Oil & Gas Company, seeks authority to expand its Keel-West Waterflood Project in the Grayburg-Jackson Pool in four separate stages.
- (4) That an administrative procedure should be established whereby wells may be converted to injection by stages rather than after experiencing substantial response to water injection as required by Rule 701-E (5).
- (5) That approval of the subject application will not alter the manner in which allowable will be assigned to the waterflood project area under the provisions of Rule 701.

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(6) That approval of the subject application will afford the applicant greater operating conveniences; that expansion of the waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(7) That the applicant should not be authorized to utilize any casing or tubing program in expansion of the waterflood project unless approval has been obtained or is obtained from the Commission and the State Engineer.

IT IS THEREFORE ORDERED:

(1) That the applicant, Sinclair Oil & Gas Company, is hereby authorized to expand its Keel-West Waterflood Project in the Grayburg-Jackson Pool in Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico, in four stages as follows:

STAGE I - TO BE COMMENCED PRIOR TO DECEMBER 31, 1963

Convert the following wells to injection wells;

West "B" Well No. 9, Unit M, Section 4
West "B" Well No. 19, Unit C, Section 10
West "B" Well No. 23, Unit K, Section 3
Keel "B" Well No. 16, Unit I, Section 5
Keel "B" Well No. 12, Unit A, Section 8
Keel "B" Well No. 13, Unit O, Section 5

Drill 1 injection well located on the
West "B" lease in Unit A of Section 9.

STAGE II - TO BE COMMENCED SUBSEQUENT TO COMPLETION OF
STAGE I BUT NOT PRIOR TO JANUARY 1, 1964

Convert the following wells to injection wells;

West "B" Well No. 10, Unit E, Section 9
Keel "B" Well No. 7, Unit C, Section 8
Keel "B" Well No. 8, Unit G, Section 8

Drill 1 injection well located on the
West "B" lease in Unit C of Section 9.

STAGE III - TO BE COMMENCED SUBSEQUENT TO COMPLETION OF
STAGE II BUT NOT PRIOR TO JULY 1, 1964

Convert the following wells to injection wells;

West "B" Well No. 14, Unit K, Section 10
West "B" Well No. 17, Unit I, Section 9
Keel "B" Well No. 2, Unit M, Section 8

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Keel "B" Well No. 4, Unit O, Section 8
Keel "B" Well No. 17, Unit E, Section 8
Keel "A" Well No. 5, Unit O, Section 7
Keel "A" Well No. 7, Unit L, Section 7
Keel "A" Well No. 9, Unit G, Section 7
Keel "A" Well No. 10, Unit I, Section 7
Keel "A" Well No. 12, Unit A, Section 7
Keel "A" Well No. 14, Unit D, Section 7
West "A" Well No. 1, Unit C, Section 3

Drill 2 injection wells located on the Keel "B" Lease in Units I and K of Section 8; drill 1 injection well located on the West "B" lease in Unit K of Section 9.

STAGE IV - TO BE COMMENCED SUBSEQUENT TO COMPLETION OF
STAGE III BUT NOT PRIOR TO JANUARY 1, 1965

Convert the following wells to injection wells;

West "A" Well No. 3, Unit A, Section 3
West "B" Well No. 24, Unit A, Section 10
West "B" Well No. 26, Unit I, Section 3
Keel "B" Well No. 1, Unit D, Section 6
Keel "B" Well No. 19, Unit J, Section 5
Keel "B" Well No. 21, Unit J, Section 6
Keel "B" Well No. 22, Unit L, Section 5
Keel "B" Well No. 25, Unit L, Section 6

Drill 3 injection wells located on the West "B" lease in Unit P of Section 9 and in Units I and N of Section 10.

(2) That the applicant is hereby authorized to drill and substitute injection wells for the injection wells authorized above provided the substitute well will be drilled at a standard location in the same 40-acre tract as the well it is to replace, the usual forms to obtain approval to drill a well are filed with the Commission, and the applicant notifies the Commission in writing of the proposed substitution.

(3) That the applicant shall not utilize any casing or tubing program in expansion of the waterflood project as approved by this order unless the Commission and the State Engineer have approved said casing or tubing program.

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


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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


E. S. WALKER, Member


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

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