

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. 1728
Order No. R-1473-A

APPLICATION OF HANSON, WATERS,
AND WILLIAMSON FOR AN ORDER
AUTHORIZING A WATER FLOOD
PROJECT IN THE COYOTE-QUEEN
POOL, CHAVES COUNTY, NEW MEXICO,
FOR CAPACITY ALLOWABLES FOR
12 WELLS IN SAID PROJECT, AND
FOR THE ESTABLISHMENT OF AN
ADMINISTRATIVE PROCEDURE FOR
EXPANDING SAID PROJECT AND FOR
GRANTING CAPACITY ALLOWABLES
TO WELLS IN SAID PROJECT

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 28, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico in accordance with Rule 1214 of the Commission Rules and Regulations, and Order No. R-1473 was entered denying the applicants' request for authorization to institute a water flood project. This cause came on for hearing de novo at 9 o'clock a.m. on November 18, 1959, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 27th day of November, 1959, the Commission, a quorum being present, having considered the application and the evidence adduced, 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 after an Examiner hearing, Commission Order No. R-1473 was entered denying, for several reasons, the applicants' request for authorization to institute a water flood project in the Coyote-Queen Pool, Chaves County, New Mexico.
- (3) That the applicants requested and were granted a hearing de novo before the Oil Conservation Commission.

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(4) That in the subject hearing de novo the applicants proposed to institute a water flood project in the Coyote-Queen Pool with injection of water into the Queen formation through the six following-described wells in Township 11 South, Range 27 East, NMPM, Chaves County, New Mexico:

Levick State C Well No. W-100, located 990 feet from the South line and 330 feet from the West line of Section 15;

Levick State C Well No. W-101, located 1650 feet from the South line and 990 feet from the West line of Section 15;

Levick State C Well No. W-102, located 2310 feet from the South line and 1650 feet from the West line of Section 15;

Levick State C Well No. W-103, located 2310 feet from the North line and 990 feet from the West line of Section 15;

Levick State C Well No. W-104, located 2310 feet from the South line and 330 feet from the West line of Section 15;

Hanson State A Well No. W-100, located 1650 feet from the South line and 330 feet from the East line of Section 16.

(5) That the applicants further proposed that they be granted capacity allowables for 12 wells and that administrative procedures be established for granting capacity allowables to additional wells in said project.

(6) That the record in Case No. 1787 was incorporated into this case and administrative notice was taken of Order No. R-1525, entered in said Case No. 1787.

(7) That the applicants, seeking an exception to statewide Rule 701 of the Commission Rules and Regulations, have failed to prove by a preponderance of the evidence that restriction of production in the subject water flood project will result in a loss of ultimate oil recovery.

(8) That the primary production in the area proposed to be water flooded has rapidly declined to the point where it may properly be termed as stripper production.

(9) That the proposed water flood project should be authorized and the operation thereof should be governed by the provisions

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of Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables and expansion of the project area.

(10) That the casing and cementing program for all wells in said project should be as approved by the District Supervisor of the Commission. Provided however, that in the event a single string of casing is used, cement should be circulated to the surface in all wells completed in said project. If the applicants find it necessary to perforate the casing in order to achieve such circulation, water injection should be through tubing and packer.

IT IS THEREFORE ORDERED:

(1) That the applicants be and the same are hereby authorized to institute a water flood project in the Coyote-Queen Pool and to inject water into the Queen formation through the six following-described wells in Township 11 South, Range 27 East, NMPM, Chaves County, New Mexico:

Levick State C Well No. W-100, located 990 feet from the South line and 330 feet from the West line of Section 15;

Levick State C Well No. W-101, located 1650 feet from the South line and 990 feet from the West line of Section 15;

Levick State C Well No. W-102, located 2310 feet from the South line and 1650 feet from the West line of Section 15;

Levick State C Well No. W-103, located 2310 feet from the North line and 990 feet from the West line of Section 15;

Levick State C Well No. W-104, located 2310 feet from the South line and 330 feet from the West line of Section 15;

Hanson State A Well No. W-100, located 1650 feet from the South line and 330 feet from the East line of Section 16.

(2) That the casing and cementing program for all wells in said project shall be as approved by the District Supervisor of the Commission. Provided however, that in the event a single string of casing is used, cement shall be circulated to the surface in all wells completed in said project. If the applicants find it necessary to perforate the casing in order to achieve such circulation, water shall be injected through tubing and packer.

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(3) That the applicants' request for capacity allowables for 12 wells and for an administrative procedure for granting capacity allowables to additional wells in said project be and the same is hereby denied.

(4) That the operation of the water flood project herein authorized shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables and expansion of the project area.

(5) That monthly progress reports on the water flood project herein authorized shall be submitted to the Commission in accordance with Rule 704 and Rule 1119 of the Commission Rules and Regulations.

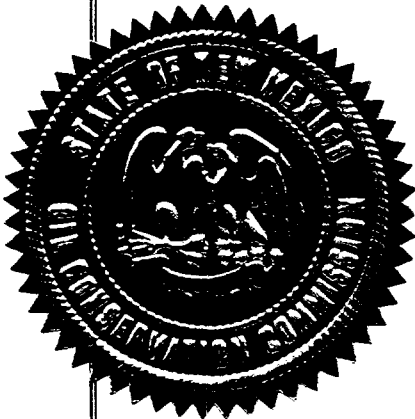
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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



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