

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. 2359
Order No. R-2053

APPLICATION OF SHELL OIL COMPANY
FOR A PILOT WATERFLOOD PROJECT
IN THE TOWNSEND-WOLFCAMP POOL,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on August 30, 1961, at Santa Fe, New Mexico, before Elvis A. Utz, 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 7th. day of September, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Shell Oil Company, seeks permission to institute a pilot waterflood project in the Townsend-Wolfcamp Pool in an area comprising Section 10, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico, by the injection of water into the Wolfcamp formation in the interval from 10,552 feet to 10,592 feet in Texas Pacific Coal & Oil Company's State "J" Well No. 2, located in the NE/4 SW/4 of said Section 10.
- (3) That all of the wells in the pilot waterflood area have reached an advanced state of depletion and may properly be classified as "stripper" wells for this depth.

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(4) That the proposed waterflood project should be authorized and should 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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Shell Oil Company, is hereby authorized to institute a pilot waterflood project in the Townsend-Wolfcamp Pool in an area comprising Section 10, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico, by the injection of water into Texas Pacific Coal & Oil Company's State "J" Well No. 2, located in the NE/4 SW/4 of said Section 10.

(2) That the operation of the waterflood project 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.

(3) That monthly progress reports on the waterflood project shall be submitted to the Commission in accordance with Rule 701 and Rule 1119 of the Commission Rules and Regulations.

(4) 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

E. L. Mechem
EDWIN L. MECHEM, Chairman

E. S. Walker
E. S. WALKER, Member

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



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