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. 5017 Order No. R-4589

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 27, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 13th day of July , 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Atlantic Richfield Company, seeks authority to institute a waterflood project in the Seven Rivers-Queen Unit Area by the injection of water into the Seven Rivers and Queen formations through 28 injection wells in Sections 27, 34, and 35, Township 22 South, Range 36 East, NMPM, South Eunice Pool, and Sections 2 and 3, Township 23 South, Range 36 East, NMPM, Langlie Mattix Pool, Lea County, New Mexico.

(3) That applicant proposes to inject water through tubing, set in a packer into the Seven Rivers or Queen formation through perforations or the open hole; the annulus to be filled with inert fluid with a pressure gauge at the surface.

(4) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(5) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-Case No. 5017 Order No. R-4589

(6) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized to institute a waterflood project in the Seven Rivers-Queen Unit Area, South Eunice and Langlie Mattix Pools, by the injection of water into the Seven Rivers and Queen formations through the following-described wells:

LEA COUNTY, NEW MEXICO TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM

Well Name We	ell No.	No. Location					Section
Gulf A. L. Christmas	6	330'	FNL	&	990'	FEL	27
ARCO Shipley "A"	5	660'	FNL	&	2080"	FWL	27
ARCO Shipley "A"	3	1980'			660'		27
Gulf A. L. Christmas	4	1980'	FNL	&	1980'	FEL	27
A. L. Christmas "A"	8	1980'	FSL	δŧ	660'	FEL	27
ARCO Mattie Shipley	3	1980'	FSL	&	1980'	FWL	27
ARCO Mattie Shipley	4	660'	FSL	&	660'	FWL	27
Gulf A. L. Christmas	7	660'	FSL	&	1980'	FEL	27
ARCO R. M. Jones	3	660'	FNL	&	1980'	FWL	35
ARCO C. Jones	6	660'	FNL				34
ARCO C. Jones	3	660'			1980'		34
ARCO C. Jones	9	1980'			660'		34
ARCO C. Jones	8	1980'	FNL	&	1980'	FEL	34
ARCO R. Jones	5	1980'			660'		35
Gackle R. Jones	3				1980'		35
ARCO O. L. Jones "C"	1				990'		34
ARCO Hale	2				1980'	-	34
ARCO Hale	5				660		34
ARCO O. L. Jones "B"	2	990'			2310'		34
Gackle R. Jones	4		FSL		660'		35
TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM							
Gulf Janda "I" State	4		FNL				2
Gulf Janda "I" State	5				1980'	FWL	2
Gackle Sinclair State	7	660'	FNL	&	660'	FEL	3
Gackle Sinclair State	б	660'	FNL	&	2310'	FWL	3
Gackle Sinclair State	9	1980'	FNL	å	660'	FWL	3
Gackle Sinclair State	11	1980'	FNL	&	1980'	FEL	3
Gulf Janda "I" State	10	1980'	FNL	&	660'	FWL	2
Janda "I" State	8	1980'	FNL	&	1980'	FEL	2

-3-Case No. 5017 Order No. R-4589

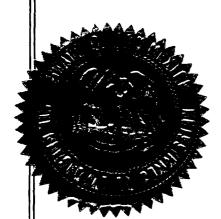
(2) That the subject waterflood project is hereby designated the Seven Rivers-Queen Unit Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That injection into each of the above-authorized water injection wells shall be through internally plastic-coated tubing set in a packer which shall be set as near as is practicable to the uppermost perforation or the casing-shoe, in open-hole completions. The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface.

(4) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(5) 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

R. TRUJILLO, Chairman

11 Apr. ARM<u>IJO</u> Member AT.E & Secretary Member

SEAL

dr/