STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 9590 ORDER NO. R-8760-A

APPLICATION OF MURPHY OPERATING CORPORATION FOR AREA EXPANSION OF A WATERFLOOD PROJECT, CHAVES COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on March 1, 1989, at Santa Fe, New Mexico, before Examiner Victor T. Lyon.

NOW, on this <u>14th</u> day of March, 1989, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Murphy Operating Corporation, seeks authority to expand the Haley Chaveroo San Andres Waterflood Project area, authorized by Division Order No. R-8760, to include an additional 80 acres of state lands consisting of the NE/4 SE/4 and SW/4 SW/4 of Section 3, Township 8 South, Range 33 East, NMPM, Chaveroo-San Andres Pool, Haley Chaveroo San Andres Unit Area, Chaves County, New Mexico.
- (3) The unit area has been expanded to include the above-described acreage under the provisions of Division Order No. R-8750-A
- (4) Expansion of the project area as requested will serve the interests of conservation of oil and gas.

IT IS THEREFORE ORDERED THAT:

- (1) The project area of the Haley Chaveroo San Andres Waterflood Project is hereby expanded by adding the NE/4 SE/4 and SW/4 SW/4 of Section 3, Township 8 South, Range 33 East, NMPM, Chaves County, New Mexico.
 - (2) The expanded area shall be subject to the terms and requirements of

Case No. 9590 Order No. R-8760-A Page No. 2

Division Order No. R-8760.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

desis

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEWINY Director

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

March 14, 1989

BESS X DE BORRO TROP STATE LA UD OFFICE BUILD NG STATE NE NE WEXNOS STORT COES, TSB 1806.

Mr. Calder Ezzell Hinkle, Cox, Eaton, Coffield & Hensley Attorneys at Law Post Office Box 10 Roswell, New Mexico 8		CASE NO. ORDER NO. Applicant: Murphy Ope	9590 R-8760-A rating Corporation
Dear Sir:			•
Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.			
Sincerely,			
FLORENE DAVIDSON OC Staff Specialist			
Copy of order also sent to:			
Hobbs OCD X Artesia OCD X Aztec OCD			
Other			