



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER NO. WFX-764

***APPLICATION OF DEVON ENERGY CORPORATION TO EXPAND ITS WATERFLOOD
PROJECT IN THE GRAYBURG JACKSON SEVEN RIVERS-QUEEN-GRAYBURG-SAN
ANDRES POOL IN EDDY COUNTY, NEW MEXICO.***

**ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION**

Under the provisions of Division Order No. R-2268 as amended, Devon Energy Corporation has made application to the Division on September 25, 2000 for permission to expand its Keel-West Unit Waterflood Project in the Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been filed in due form.
- (2) Satisfactory information has been provided that all offset operators have been duly notified of the application.
- (3) No objection has been received within the waiting period as prescribed by Rule 701(B).
- (4) The proposed injection wells are eligible for conversion to injection under the terms of Rule 701.
- (5) The proposed expansion of the above referenced waterflood project will not cause waste nor impair correlative rights.
- (6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, Devon Energy Corporation, be and the same is hereby authorized to inject water into the Grayburg and San Andres formations at approximately 2914 feet to approximately 3630 feet through 2 3/8-inch plastic lined tubing set in a packer located within 100 feet of the uppermost injection perforations in the following described wells for purposes of secondary recovery to wit:

J.L. Keel "B" Well No. 2

API No. 30-015-05103

660 FSL & 660 FWL, Unit 'M', Section 8
Township 17 South, Range 31 East, NMPM
Injection Interval: 2,914 feet to 3,620 feet
Maximum Injection Pressure: (.6 psi/ft) 1748

J.L. Keel "B" Well No. 3

API No. 30-015-05104

660 FSL & 1980 FWL, Unit 'N', Section 8
Township 17 South, Range 31 East, NMPM
Injection Interval: 2,775 feet to 3,630 feet
Maximum Injection Pressure: (.6 psi/ft) 1665

Eddy County, New Mexico.

Due to the location of the top of cement behind the 5 ½ inch casing in the Hudson Federal Wells No. 13 and 14 located in Unit D, Section 17, Township 17 South, Range 31 East, NMPM, the injection interval in the J.L. Keel "B" Well No. 2 shall be limited to 2,914 feet to 3,620 feet.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the wells, the casing shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection wells to no greater than .6 psi per foot of depth to the uppermost injection perforations.

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said wells that such higher pressure will not result in migration of the injected fluid from the Grayburg and San Andres formations. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of injection equipment and of the mechanical integrity tests so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia district office of the Division of the failure of the tubing, casing or packer in said wells and shall take such steps as may be timely and necessary to correct such failure or leakage.

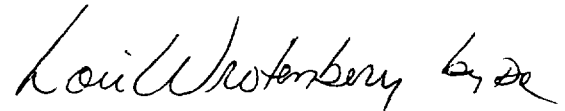
The subject wells shall be governed by all provisions of Division Order No. R-2268, as amended and Rules 702-706 of the Division Rules and Regulations not inconsistent herewith.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject wells, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

DONE at Santa Fe, New Mexico, on this 10TH day of October, 2000.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



LORI WROTENBERY
Director

S E A L

cc: Oil Conservation Division - Artesia
Case File No.9929 (Order No. R-2268) ✓



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ORDER NO. WFX-587

APPLICATION OF HONDO OIL AND GAS COMPANY TO EXPAND ITS WATERFLOOD PROJECT IN THE GRAYBURG JACKSON SEVEN RIVERS QUEEN GRAYBURG SAN ANDRES POOL IN EDDY COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-2268 as amended, Hondo Oil and Gas Company has made application to the Division on July 26-August 2, 1989 for permission to expand its Keel West Waterflood Project in the Grayburg Jackson Seven Rivers Queen Grayburg San Andres Pool in Eddy County, New Mexico.

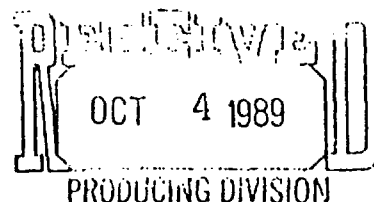
NOW, on this 26th day of September, 1989, the Division Director finds that:

- (1) The application has been filed in due form.
- (2) Satisfactory information has been provided that all offset operators have been duly notified of the application.
- (3) No objection has been received within the waiting period as prescribed by Rule 701(B).
- (4) The proposed injection wells are eligible for conversion to water injection under the terms of Rule 701.
- (5) The proposed expansion of the above-referenced waterflood project will not cause waste nor impair correlative rights.
- (6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, Hondo Oil and Gas Company, be and the same is hereby authorized to inject water into the Grayburg San Andres formation through 2 or 2 3/8-inch plastic lined tubing set in a packer located as near as practical to the injection perforations in the wells shown on Exhibit "A" attached to this order for purposes of secondary recovery.

IT IS FURTHER ORDERED THAT:



Administrative Order WFX-587
Hondo Oil and Gas Company
September 26, 1989
Page 2

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the wells, the casing in each well shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus in each well shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing or packer.

The injection wells or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection wells to no more than 0.2 psi/ft. of depth to the uppermost perforation, as shown on Exhibit "A".

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said wells that such higher pressure will not result in migration of the injected fluid from the Grayburg San Andres formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of injection equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia district office of the Division of the failure of the tubing, casing or packer in said wells and shall take such steps as may be timely and necessary to correct such failure or leakage.

The subject wells shall be governed by all provisions of Division Order No. R-2268 and Rules 701-708 of the Division Rules and Regulations not inconsistent herewith.

PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

Exhibit "A"
Hondo Oil and Gas Company
WFX-587


Well Name and Location	Footage Location	U-S-T-R	Injection Interval (Feet)	Maximum Surface Injection Pressure
H.E. West "A" Well No. 11	1980' FNL - 1980' FEL	G-03-17S-31E	3439-3973	688 PSIG
H.E. West "A" Well No. 15	660' FNL - 330' FEL	A-03-17S-31E	3479-4046	696 PSIG
H.E. West "B" Well No. 20	660' FSL - 1980' FEL	O-10-17S-31E	3353-3937	671 PSIG
H.E. West "B" Well No. 34	1980' FSL - 660' FEL	I-10-17s-31E	3341-3802	668 PSIG

Administrative Order WFX-587
Hondo Oil and Gas Company
September 26, 1989
Page 3

The operator shall submit monthly progress reports of the project in accordance with Rule 706 and 1115 of the Division Rules and Regulations.

Approved at Santa Fe, New Mexico, on this 26th day of September, 1989.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L



GARREY CARRUTHERS
GOVERNOR

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

RECEIVED

SEP -5 '89

C. C. D.
ARTESIA, OFFICE

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ORDER NO. WFX-585

APPLICATION OF HONDO OIL AND GAS COMPANY TO EXPAND ITS WATERFLOOD PROJECT IN THE GRAYBURG JACKSON SEVEN RIVERS QUEEN GRAYBURG SAN ANDRES POOL IN EDDY COUNTY, NEW MEXICO

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

Under the provisions of Division Order No. R-2268, as amended, Hondo Oil and Gas Company has made application to the Division on July 25-August 3, 1989 for permission to expand its Keel West Waterflood Project in the Grayburg Jackson Seven Rivers Queen Grayburg San Andres Pool in Eddy County, New Mexico.

NOW, on this 31st day of August, 1989, the Division Director finds that:

- (1) The application has been filed in due form.
- (2) Satisfactory information has been provided that all offset operators have been duly notified of the application.
- (3) No objection has been received within the waiting period as prescribed by Rule 701(B).
- (4) The proposed injection wells are eligible for conversion to water injection under the terms of Rule 701.
- (5) The proposed expansion of the above-referenced waterflood project will not cause waste nor impair correlative rights.
- (6) The application should be approved.

IT IS THEREFORE ORDERED THAT:

The applicant, Hondo Oil and Gas Company, be and the same is hereby authorized to inject water into the Grayburg San Andres formation through 2 or 2 3/8-inch plastic lined tubing set in a packer located as near as practical to the injection perforations in the wells shown on Exhibit "A" attached to this order for purposes of secondary recovery.

IT IS FURTHER ORDERED THAT:

Administrative Order WFX-585
Hondo Oil and Gas Company
August 31, 1989
Page 2

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O. C. D.
ARTESIA, OFFICE

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

Prior to commencing injection operations into the wells, the casing in each well shall be pressure tested from the surface to the packer setting depth to assure the integrity of said casing.

The casing-tubing annulus in each well shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing or packer.

The injection wells or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection wells to no more than 0.2 psi/ft. of depth to the uppermost perforation, as shown on Exhibit "A".

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said wells that such higher pressure will not result in migration of the injected fluid from the Grayburg San Andres formation. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Artesia district office of the Division of the date and time of the installation of injection equipment and of the mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Artesia district office of the Division of the failure of the tubing, casing or packer in said wells and shall take such steps as may be timely and necessary to correct such failure or leakage.

The subject wells shall be governed by all provisions of Division Order No. R-2268 and Rules 701-708 of the Division Rules and Regulations not inconsistent herewith.

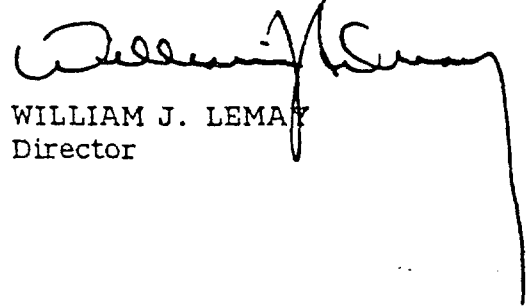
PROVIDED FURTHER THAT, jurisdiction of this cause is hereby retained by the Division for the entry of such further order or orders as may be deemed necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the operator to conduct operations in a manner which will ensure the protection of fresh water or in a manner inconsistent with the requirements set forth in this order, the Division may, after notice and hearing, terminate the injection authority granted herein.

Administrative Order WFX-585
Hondo Oil and Gas Company
August 31, 1989
Page 3

The operator shall submit monthly progress reports of the project in accordance with Rule 706 and 1115 of the Division Rules and Regulations.

Approved at Santa Fe, New Mexico, on this 31st day of August, 1989.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read 'William J. Lemay', is written over the printed name. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

WILLIAM J. LEMAY
Director

S E A L

Exhibit "A"
Hondo Oil and Gas Company
WFX-585

Well Name and Location	Footage Location	U-S-T-R	Injection Interval (Feet)	Maximum Surface Injection Pressure
H. E. West "B" Well No. 12	1980' FNL - 1980' FEL	G-09-17S-31E	3260 - 3628	652 PSIG
H. E. West "B" Well No. 13	1980' FNL - 660' FWL	E-10-17S-31E	3312 - 3696	662 PSIG
H. E. West "A" Well No. 14	720' FSL - 1980' FEL	O-04-17S-31E	3214 - 3826	643 PSIG
H. E. West "B" Well No. 15	1980' FNL - 1980' FEL	G-10-17S-31E	3368 - 3916	674 PSIG
H. E. West "B" Well No. 16	660' FSL - 660' FWL	M-03-17S-31E	3333 - 3742	667 PSIG
H. E. West "B" Well No. 18	660' FSL - 1980' FEL	O-03-17S-31E	3386 - 3994	677 PSIG
H. E. West "B" Well No. 21	660' FSL - 660' FWL	M-10-17S-31E	3294 - 3917	659 PSIG
H. E. West "B" Well No. 22Y	660' FSL - 1990' FEL	O-09-17S-31E	3239 - 3856	648 PSIG
H. E. West "B" Well No. 43	660' FSL - 760' FWL	M-09-17S-31E	3141 - 3673	628 PSIG

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. 2576
Order No. R-2268

APPLICATION OF SINCLAIR OIL & GAS
COMPANY FOR APPROVAL OF A WATER-
FLOOD 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 June 7, 1962, 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 21st day of June, 1962, 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 the applicant, Sinclair Oil & Gas Company, seeks approval of a waterflood project in the Grayburg-Jackson Pool with the injection of water to be through seven wells located in Sections 3 and 4, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That the wells in the proposed project area are in an advanced stage of depletion and should be classified as "stripper" wells.

(4) That approval of the subject application will neither cause waste nor impair correlative rights; provided, however, that unless agreed to by all parties, the transfer of allowables across lease lines where royalty ownership is diverse should not be authorized.

IT IS THEREFORE ORDERED:

(1) That the applicant, Sinclair Oil & Gas Company, is hereby authorized to institute a waterflood project in the Grayburg-Jackson Pool with the injection of water through the following-described wells in Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico:

West "A" Well No. 8, Unit E, Section 3;
West "A" Well No. 4, Unit G, Section 4;
West "A" Well No. 7, Unit A, Section 4;
West "A" Well No. 9, Unit I, Section 4;
West "B" Well No. 3, Unit C, Section 4;
West "B" Well No. 6, Unit E, Section 4; and
West "B" Well No. 11, Unit K, Section 4.

(2) That the waterflood project shall be governed by Rule 701, including the allowable provisions thereof.

PROVIDED HOWEVER, That unless otherwise agreed to by all parties and evidence thereof furnished the Commission, the transfer of allowables within the project area of this waterflood shall be authorized only insofar as the transfer is made between wells having common royalty ownership.

(3) 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

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

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

S E A L

esr/

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.

(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

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.

-4-

CASE No. 2909

Order No. R-2268-A

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

S E A L

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-2-

CASE No. 3299

Order No. R-2268-B

IT IS THEREFORE ORDERED:

(1) That Order No. R-2268-A is hereby amended to authorize the applicant, Sinclair Oil & Gas Company, to commence Stage IV of its Keel-West Waterflood Project in the Grayburg-Jackson Pool in Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico, prior to the completion of Stage III of the project.

(2) 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

JACK M. CAMPBELL, Chairman

GUYTON B. HAYS, Member

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

S E A L

esr/

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. 3299
Order No. R-2268-B

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 25, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 13th day of September, 1965, 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 by Order No. R-2268-A, the Commission authorized the applicant, Sinclair Oil & Gas Company, 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, specifying a period of time to commence each stage of the project.
- (3) That Order No. R-2268-A provided that Stage IV of the project was to be commenced subsequent to completion of Stage III but not prior to January 1, 1965.
- (4) That the applicant seeks amendment of Order No. R-2268-A to authorize the commencement of Stage IV of the project prior to the completion of Stage III.
- (5) That approval of the subject application should result in a more efficient waterflood project, thereby preventing waste.