IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 1**368** Order No. R-1110

APPLICATION OF AMBASSADOR OIL CORPORATION FOR AN ORDER AUTHORIZING A PILOT WATER FLOOD PROJECT IN THE SQUARE LAKE POOL, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 7, 1957, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>15th.</u> day of January, 1958, 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,</u>

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, Ambassador Oil Corporation, proposes to institute a pilot water flood project in the Square Lake Pool to inject water into the Lower Grayburg and the Upper San Andres formations through six converted oil wells located in Sections 29, 30, and 32, of Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That the proposed pilot water injection project will not adversely affect the interests of any other operators in the Square Lake Pool.

(4) That the proposed project will promote conservation and tend to prevent waste through the production of oil which might not otherwise be recovered.

(5) That the progress of the project should be periodically reported to the Commission.

-2-Case No. 1368 Order No. R-1110

IT IS THEREFORE ORDERED:

(1) That the application of Ambassador Oil Corporation for permission to institute a pilot water flood project in the Lower Grayburg and the Upper San Andres formations in the Square Lake Pool, Eddy County, New Mexico, for the purpose of secondary recovery be and the same is hereby approved.

(2) That the following wells be and the same are hereby authorized as water injection wells for the above-described project:

Ambassador-Carper Bruning Well No. 1	-	SW/4 NW/4 Section 29
Ambassador-Texas Trading Grier Well No. 1	-	SW/4 SW/4 Section 29
Ambassador-Texas Trading Grier Well No. 4	-	NE/4 SW/4 Section 29
Ambassador-Carper Wheatley Well No. 1		SW/4 SE/4 Section 29
Ambassador-Fidel Grier Well No. 2	-	NE/4 SE/4 Section 30
Ambassador-Texas Trading State Well No. 3	-	NE/4 NW/4 Section 32

all in Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) 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

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

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

SEAL

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IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 1368 Order No. R-1110-A

APPLICATION OF AMBASSADOR OIL CORPORATION FOR AN ORDER AMENDING PARAGRAPH 2 OF ORDER NO. R-1110.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 19, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>3rd</u>. day of April, 1958, 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 Order No. R-1110 authorized the applicant, Ambassador Oil Corporation, to institute a pilot water flood project in the Square Lake Pool to inject water into the Lower Grayburg and the Upper San Andres formations through six converted oil wells located in Sections 29, 30, and 32 of Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That the applicant has encountered certain mechanical difficulties and therefore proposes to substitute the Vickers-Federal Well No. 2, located in the NE/4 NE/4 of Section 30, and the Vickers-Federal Well No. 3, located in the SW/4 NE/4 of Section 30 as water injection wells in lieu of the Carper-Wheatley Well No. 1, located in the SW/4 SE/4 of Section 29, and the Texas Trading State Well No. 3, located in the NE/4 NW/4 of Section 32, all in Township 16 South, Range 31 East, Eddy County, New Mexico.

(4) That the above-described Carper-Wheatley Well No. 1 and the Texas Trading State Well No. 3 will be returned to producing status.

-2-Case No. 1368 Order No. R-1110-A

(5) That the proposed substitution will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

1. That Order No. R-1110 be and the same is hereby amended in the following respects only:

The Carper-Wheatley Well No. 1, located in the SW/4 SE/4 of Section 29, and The Texas Trading State Well No. 3, located in the NE/4 NW/4 of Section 32, both being in Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico, be and the same are hereby deleted from paragraph 2 of said order and the Vickers-Federal Well No. 2, located in the NE/4 NE/4 of Section 30, and the Vickers-Federal Well No. 3, located in the SW/4 NE/4 of Section 30, both being in Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico, be and the same are hereby substituted therefor.

2. In all other respects, Order No. R-1110 is to remain in full force and effect.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION EDWIN L. MECHEM, Chairman MURRAY E. MORGAN, Member A. L. PORTER, Jr., Member & Secretary

SEAL

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IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 2299 Order No. R-1110-B

APPLICATION OF NEWMONT OIL COMPANY FOR AN AMENDMENT OF ORDERS NOS. R-1110 AND R-1110-A, 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, 1961, 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 22nd day of June, 1961, 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 Order No. R-1110 authorized the institution of a pilot waterflood project in the Square Lake Pool to inject water into the Lower Grayburg and the Upper San Andres formations in Sections 29, 30, and 32 of Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That Order No. R-1110-A authorized the use of different water injection wells from those authorized in Order No. R-1110.

(4) That the applicant, Newmont Oil Company, seeks an amendment of Orders Nos. R-1110 and R-1110-A to permit the expansion of said waterflood project to include lands in Sections 28, 31, 32, 33, and 34, all in Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico.

(5) That the applicant proposes to include in the expansion of said waterflood project certain lands in said Sections 28, 33, and 34 owned by the Kennedy Oil Company, to be operated by the applicant under an agreement with Kennedy Oil Company. -2-CASE No. 2299 Order No. R-1110-B

(6) That the applicant proposes to include in the expansion of said waterflood project certain lands in said Section 32 owned by Southern Petroleum Exploration Company, Inc., to be operated by the applicant under an agreement with Southern Petroleum Exploration Company, Inc.

(7) That the conversion to water injection of wells in the area proposed to be included in the waterflood project will constitute a legitimate expansion of a waterflood project which was authorized prior to the issuance of Order No. R-1525, and that this entire area, therefore, should be exempt from the allowable provisions of Rule 701 E.

(3) That due to its location apart from the existing flood, it is impracticable to include the E/2 SE/4 of Section 31, Town-ship 16 South, Range 31 East in the project at this time.

IT IS THEREFORE ORDERED:

(1) That the Square Lake Waterflood Project, to be operated by the applicant, Newmont Oil Company, shall comprise the following-described acreage:

> TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM EDDY COUNTY, NEW MEXICO Section 19: S/2 SE/4 Section 28: W/2 SW/4 Section 29: S/2 N/2 and S/2 Section 30: NE/4 and E/2 SE/4 Section 32: N/2 Section 33: N/2, SE/4 and E/2 SW/4 Section 34: S/2, W/2 NW/4 and SW/4 NE/4

(2) That all of the above-described acreage which was not included in the previously authorized Square Lake Waterflood Project is hereby designated a legitimate expansion of said project, and shall be exempt from the allowable provisions of Rule 701 E.

(3) That the provisions of Orders Nos. R-1110 and R-1110-A shall remain in full force and effect.

(4) That the waterflood project as expanded by this order shall be operated in accordance with the provisions of Rule 701 E of the Commission Rules and Regulations, except as provided in Paragraph 2 above.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-CASE No. 2299 Order No. R-1110-B

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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

SEAL

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 2607 Order No. R-1110-D

APPLICATION OF NEWMONT OIL COMPANY FOR AN AMENDMENT OF ORDERS NOS. R-1110, R-1110-A, R-1110-B, AND R-1110-C, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 26, 1962, 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 2nd day of August, 1962, 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 Order No. R-1110 authorized the institution of a pilot waterflood project in the Square Lake Pool to inject water into the Lower Grayburg and the Upper San Andres formations in Sections 29, 30, and 32 of Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That Order No. R-1110-A authorized the use of different water injection wells from those authorized in Order No. R-1110.

(4) That Order No. R-1110-B expanded said waterflood project to include lands in Sections 28, 31, 32, 33, and 34, all in Township 16 South, Range 31 East, NMPM, Eddy County, New Mexico, which expansion included lands to be operated by Newmont Oil Company under an agreement with Kennedy Oil Company and Southern Petroleum Exploration Company.

(5) That Order No. R-1110-C expanded said waterflood project to include the S/2 SW/4 of Section 20 and the N/2 NW/4 of Section 29, all in Township 16 South, Range 31 East, NMPM, Eddy

-2-CASE No. 2607 Order No. R-1110-D

County, New Mexico, which lands were to be operated by Newmont Oil Company under an agreement with the owner of said 160-acre tract.

(6) That the entire area included in the waterflood project by Orders Nos. R-1110, R-1110-A, R-1110-B, and R-1110-C was exempted from the allowable provisions of Rule 701-E.

(7) That in the subject case, the applicant, Newmont Oil Company, seeks permission to expand the waterflood project to include the N/2 NE/4 of Section 29, Township 16 South, Range 31 East, NMFM, Eddy County, New Maxico, which lands are to be operated by Newmont Oil Company under an operating agreement with John M. Fidel.

(8) That the applicant had previously entered into the operating agreement with John N. Fidel concerning the subject lands, and the lands were intended to be included in Newmont Oil Company's application for expansion of the waterflood project filed in Case No. 2566 and subsequently granted by Order No. R-1110-C, but that the applicant inadvertently omitted the subject lands from the said application.

(9) That the conversion to water injection of wells in the area proposed to be included in the waterflood project should be approved, and said area should be exempt from the allowable provisions of Rule 701-E. Provided however, that any future expansions to said waterflood project area should be considered for inclusion in a buffer zone to be created around said project area.

IT IS THEREFORE ORDERED:

(1) That the Square Lake Waterflood Project operated by the applicant, Newmont Oil Company, shall comprise the following-described acreage:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM EDDY COUNTY, NEW MEXICO Section 19: S/2 SE/4 Section 20: B/2 SW/4 Section 28: W/2 SW/4 Section 29: All Section 30: NE/4 and E/2 SE/4 Section 32: N/2 Section 33: N/2, SE/4 and E/2 SW/4 Section 34: S/2, W/2 NW/4 and SW/4 NE/4

(2) That all of the above-described acreage which was not included in the previously authorized Square Lake Waterflood Project is hereby designated a legitimate expansion of said project, and shall be exempt from the allowable provisions of Rule 701-E.

(3) That the provisions of Orders Nos. R-1110, R-1110-A, R-1110-B, and R-1110-C shall remain in full force and effect.

-3-CASE NO. 2607 Order No. R-1110-D

(4) That the waterflood project as expanded by this order shall be operated in accordance with the provisions of Rule 701-E of the Commission Rules and Regulations, except as provided in Paragraph 2 above.

(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 hereinaboye designated.

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

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

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