

**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. 3358  
Order No. R-3026**

**APPLICATION OF GENERAL AMERICAN OIL  
COMPANY OF TEXAS 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 January 5, 1966, at Santa Fe, New Mexico, before Examiner Daniel S. Mutter.

NOW, on this 13th day of January, 1966, 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, General American Oil Company of Texas, seeks permission to expand its waterflood project in the Grayburg-Jackson Pool, authorized by Order No. R-2327, by the conversion to water injection, in stages, of from 10 to 13 wells in Sections 23 and 26, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.

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

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

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(5) That the subject application should be approved and the expanded 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, General American Oil Company of Texas, is hereby authorized to expand its waterflood project in the Grayburg-Jackson Pool, authorized by Order No. R-2327, by converting to water injection into the Grayburg-Keely zone of the San Andres formation, in stages, the following-described wells in Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico:

<u>WELL</u>	<u>LOCATION</u>
STAGE I	
Burch B No. 7	SW/4 NE/4 of Section 23
Burch B No. 8	SE/4 NE/4 of Section 23
Burch C No. 2	SE/4 NW/4 of Section 23
Burch C No. 7	NE/4 SE/4 of Section 23
Burch C No. 8	SE/4 SE/4 of Section 23
Keely B No. 4	NE/4 NE/4 of Section 26
Keely C No. 9	SE/4 NW/4 of Section 26
Keely C No. 14	SW/4 NW/4 of Section 26
STAGE II	
Burch B No. 4	SE/4 SW/4 of Section 23
Burch C No. 6	SW/4 SE/4 of Section 23
Keely C No. 1	NW/4 NW/4 of Section 26
STAGE III	
Burch B No. 5	NE/4 SW/4 of Section 23
Keely B No. 1	NW/4 NE/4 of Section 26

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

(3) That monthly progress reports of the expanded waterflood project herein authorized shall be submitted to the Commission in

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accordance with Rules 704 and 1120 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.

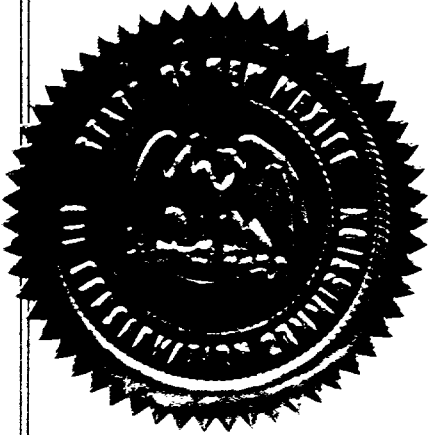
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Jack M. Campbell*  
JACK M. CAMPBELL, Chairman

*Guyton B. Hays*  
GUYTON B. HAYS, Member

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



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