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. 3868 Order No. R-3514

APPLICATION OF TEXACO INC. FOR A WATERFLOOD EXPANSION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 25, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 2nd day of October, 1968, 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, Texaco Inc., seeks permission to expand its Texaco BV Waterflood Project in the Lazy J-Pennsylvanian Pool by the injection of water into the Pennsylvanian formation through its "BV" State (NCT-1) Well No. 5, located in Unit M of Section 26, Township 13 South, Range 33 East, NMPM, Lea 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 Texaco BV Waterflood Project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-CASE No. 3868 Order No. R-3514

(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, Texaco Inc., is hereby authorized to expand its Texaco BV Waterflood Project in the Lazy J-Pennsylvanian Pool by the injection of water into the Pennsylvanian formation through its "BV" State (NCT-1) Well No. 5, located in Unit M of Section 26, Township 13 South, Range 33 East, NMPM, Lea County, New Mexico.
- (2) That the expanded waterflood project 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 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

DAVID F. CARGO, Chairman

SUNTON B. HAYS Member

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

- CASE 3870: Application of D. W. St. Clair for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Queen formation in the perforated interval from approximately 4941 feet to 5060 feet in his Superior-Federal Well No. 7 located in Unit G of Section 25, Township 19 South, Range 34 East, Pearl-Queen Pool, Lea County, New Mexico.
- CASE 3871: Application of Stoltz and Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the North Bagley Upper, Middle, and Lower Pennsylvanian Pools underlying the E/2 SE/4 of Section 32, Township 11 South, Range 33 East, Lea County, New Mexico.