

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. 4125
Order No. R-3756

APPLICATION OF CONTINENTAL OIL COMPANY
FOR A WATERFLOOD PROJECT, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 7, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 20th day of May, 1969, 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, Continental Oil Company, seeks permission to institute three waterflood projects in the Forest Pool by the injection of water into the Grayburg and San Andres formations through ten injection wells in Sections 34 and 35, Township 16 South, Range 29 East, NMPM, Eddy County, New Mexico.

(3) That the applicant further seeks an administrative procedure whereby said projects could be expanded to include additional lands and injection wells in the areas of said projects as may be necessary in order to complete efficient injection patterns; that said administrative procedure should provide for administrative approval for conversion to water injection in exception to the well response requirements of Rule 701 E-5 of the Commission Rules and Regulations.

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

(5) That the proposed waterflood projects should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) That the subject application should be approved and the projects should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations; provided, however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to institute the three following waterflood projects in the Forest Pool by the injection of water into the Grayburg and San Andres formations through the following-described ten wells in Township 16 South, Range 29 East, NMPM, Eddy County, New Mexico:

Continental Forest Levers Waterflood Project

Injection Wells:

Lever "B" Well No. 3 - Unit B - Section 34
Lever "B" Well No. 14 - Unit F - Section 34
Lever "B" Well No. 1 - Unit H - Section 34
Lever "B" Well No. 10 - Unit N - Section 34
Lever "B" Well No. 8 - Unit P - Section 34
Lever "B" Well No. 4 - Unit D - Section 35

Continental Forest Donahue Waterflood Project

Injection Wells:

Donahue Well No. 3 - Unit J - Section 34
Donahue Well No. 4 - to be drilled in Unit F -
Section 35

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Continental Forest Heard Waterflood Project

Injection Wells:

Heard Well No. 1 - Unit L - Section 35

Heard Well No. 4 - Unit N - Section 35

(2) That the subject waterflood projects shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve expansion of the subject waterflood projects to include such additional lands and injection wells in the areas of said projects as may be necessary to complete efficient water injection patterns; that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection; further, that the Secretary-Director may consolidate the three projects into a single project upon unitization of the area involved.

(3) That monthly progress reports of the waterflood projects 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

ALEX J. ARMISTE, Member

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

