



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

GOVERNOR
DAVID F. CARGO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

September 17, 1969

Mr. A. J. Losee
Attorney at Law
Post Office Box 239
Artesia, New Mexico 88210

Re: Case No. 4209
Order No. R-3842
Applicant:
Harvey E. Yates Company

Dear Sir:

Enclosed herewith is a copy of the above-referenced Commission order recently entered in the subject case. Letter pertaining to conditions of approval and maximum allowable to follow.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC X
Artesia OCC X
Aztec OCC
State Engineer X

Other _____

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

October 29, 1969

**Mr. A. J. Losee
Attorney at Law
Post Office Box 239
Artesia, New Mexico 88210**

Dear Sir:

Reference is made to Commission Order No. R-3842, recently entered in Case No. 4209, approving the Harvey Yates Page-Yates McMillan Waterflood Project and the Lillie Yates Lillie McMillan Waterflood Project.

Injection in the Page-Yates project is to be through the three authorized water injection wells and injection in the Lillie project through the one authorized injection well. Injection in each well shall be through tubing set in a packer. Packers shall be located as follows:

Page-Yates Well No. 6 - 390 feet; Well No. 7 - open-hole packer at approximately 680 feet; Well No. 8 - 775 feet; Lillie Yates Well No. 2 - 420 feet. The casing-tubing annulus of all but the Page-Yates No. 7 shall be loaded with inhibited fresh water and equipped with a pressure gauge at the surface. The annulus of the Page-Yates No. 7 shall be loaded with fresh water mud.

As to allowable, our calculations indicate that when all of the authorized injection wells have been placed on active injection, the maximum allowable which the Page-Yates project will be eligible to receive under the provisions of Rule 701-E-3 is 308 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less and the maximum allowable for the Lillie Yates projects is 112 barrels per day.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify

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-2-

**Mr. A. J. Losee
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October 29, 1969

both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

**A. L. PORTER, Jr.
Secretary-Director**

ALP/DSN/ir

**cc: Oil Conservation Commission
Hobbs and Artesia**

**U. S. Geological Survey
Drawer U
Artesia, New Mexico**

**Mr. D. E. Gray
State Engineer Office
Santa Fe, New Mexico**



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

IN REPLY REFER TO:

September 8, 1969

Mr. Eddie M. Mahfood
702 West Quay
Artesia, New Mexico 88210

Dear Sir:

Your letter of September 3, 1969 requests approval for Harvey E. Yates to operate a waterflood of the Seven Rivers-Queen formations on that portion of oil and gas lease Las Cruces 063567 described as follows:

T. 20 S., R. 27 E., N.M.P.M., Eddy County, New Mexico

sec. 5 : SW $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$
sec. 6 : SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$
sec. 7 : NE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ NE $\frac{1}{4}$
sec. 8 : NW $\frac{1}{4}$ NW $\frac{1}{4}$

You propose to convert to water injection the following wells:

<u>Well Number & Lease</u>	<u>Location</u>
8-Page & Yates	SW $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 5
6-Page & Yates	SE $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 6
7-Page & Yates	NW $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 6
2-Harvey Yates	NW $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 7

The plan for operating the above described waterflood project as proposed in the application is satisfactory to this office, and hereby approved subject to like approval by the New Mexico Oil Conservation Commission and the following:

1. This project will be operated in compliance with the New Mexico Oil Conservation Commission regulations governing waterflood operations.

2. Duplicate copies of a monthly progress report (N.M.O.C.C. form C-120 acceptable) are to be submitted to this office showing the volume of water injected and average pressures for the injection wells, and production for the producing wells in the project area.
3. This approval does not preclude the necessity for further approval when the project is expanded to include other wells and leases or the necessity to submit the usual notices and reports on wells involved.

Sincerely yours,

(Orig. Sgd.) JAMES A. KNAUF

James A. Knauf
District Engineer

cc:
N.M.O.C.C., Santa Fe ✓
Roswell
File
Accounts