

(13) The subject application should be approved and the project should be governed by the provisions of Rule 701 through 708 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Gulf Oil Corporation, is hereby authorized to institute a waterflood project in the Eunice Monument South Unit Area for the acreage described on Exhibit "A" attached hereto and made a part hereof, by the injection of water into the unitized interval which shall include the formations which extend from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit being the base of the San Andres formation said geologic markers having been as found to occur at 3,666 feet to 5,283 feet, respectively, in the Continental Oil Company's Meyer B-4 Well No. 23 located 660 feet from the South line and 1980 feet from the East line of Section 4, Township 21 South, Range 36 East, Lea County, New Mexico.

(2) Applicant, Gulf Oil Corporation, is hereby authorized to utilize for injection purposes the wells identified and described on Exhibit "B" attached hereto and made a part hereof.

(3) The injection wells herein authorized and/or the injection pressurization system shall be so equipped as to limit injection pressure at the wellhead to no more than 0.2 psi per foot of depth from the surface to the top injection perforation, provided however, the Division Director may authorize a higher surface injection pressure upon satisfactory showing that such pressure will not result in fracturing of the confining strata.

(4) Injection into each of said wells shall be through plastic or cement-lined tubing, set in a packer which shall be located as near as practicable to the uppermost perforations, or, in the case of open-hole completions, as near as practicable to the casing-shoe; that the casing-tubing annulus shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention attracting leak detection device.

(5) Prior to injection into any well located within one-half mile of any of the five wells listed on Exhibit "C" attached to this order, the applicant shall consult with the supervisor of the Oil Conservation Division's district office at Hobbs to develop a plan acceptable to

