

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 8943
Order No. R-4875-B

APPLICATION OF WR OIL AND GAS COMPANY
FOR A WATER/STEAM INJECTION PILOT PROJECT,
MCKINLEY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on July 23, 1986, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 24th day of October, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, WR Oil and Gas Company, seeks authority to institute a pilot steam and water flood project on its Santa Fe Pacific Railroad Lease (SFPRR) in Sections 20, 21, 28, and 29, Township 16 North, Range 6 West, NMPM, Upper Gallup formation, Miguel Creek Gallup Oil Pool, McKinley County, New Mexico, to allow the operator to utilize the eight existing wells as described in Exhibit "A", attached hereto and made a part hereof, as part time steam injection and oil producing wells and to utilize the five wells as described in Exhibit "B", attached hereto and made a part hereof, as water injection wells.
- (3) The applicant further seeks authorization to inject into the above-described wells at a pressure that exceeds the 0.2 psi per foot of depth guideline set by the Division.
- (4) The wells in the project area are incapable of commercial production due to the low viscosity of the oil found in the pay sand and the lack of any significant natural drive mechanism.

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