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. 2423 Order No. R-2124

APPLICATION OF SKELLY OIL COMPANY FOR A PRESSURE MAINTENANCE PROJECT IN THE HORSESHOE-GALLUP OIL POOL, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 8, 1961, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 17th day of November, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Skelly Oil Company, proposes to institute a pressure maintenance project in the Horseshoe-Gallup Oil Pool, San Juan County, New Mexico, by the injection of water into the Gallup formation through the Navajo "M" Well No. 2, located 1980 feet from the South line and 1980 feet from the West line of Section 33, Township 32 North, Range 17 West, NMPM, San Juan County, New Mexico.
- (3) That the applicant seeks authorization to institute the above-described pressure maintenance project in order to offset the pressure maintenance project of Humble Oil & Refining Company which lies to the South of the proposed project, and that the applicant does not intend to expand the proposed project.
- (4) That the Navajo "M" Well No. 1 located in the SW/4 SW/4 of said Section 33 is the only producing well on the above-described Navajo "M" Lease.
- (5) That in regard to provisions governing allowables for the proposed project, the applicant seeks an order providing that