

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF SUNRAY MID-CONTINENT OIL COMPANY FOR AN ORDER AUTHORIZING WATER INJECTION IN THE BISTI-LOWER GALLUP OIL POOL, SAN JUAN COUNTY, NEW MEXICO PURSUANT TO RULE 701 OF THE COMMISSIONS RULES AND REGULATIONS.

CASE NO. \_\_\_\_\_

A P P L I C A T I O N

TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO:

COMES NOW the Applicant, Sunray Mid-Continent Oil Company, and respectfully alleges and states as follows:

1. That it is the owner and operator of leases and wells within the limits of the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.
2. That Applicant has pending before the Oil Conservation Commission of the State of New Mexico an application for a liquefied petroleum gas-gas injection project and an application for approval of a unit known as the Central Bisti-Lower Gallup Sand Unit covering the following described area:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM  
 Section 31: S/2 and S/2 N/2  
 Section 32: S/2 and S/2 N/2  
 Section 33: S/2 SW/4

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM  
 Section 3: SW/4  
 Section 4: All  
 Section 5: All  
 Section 6: All  
 Section 7: All  
 Section 8: All  
 Section 9: All  
 Section 10: NW/4  
 Section 16: All  
 Section 17: N/2 and SE/4 and E/2 SW/4 and NW/4 SW/4  
 Section 18: NE/4 and N/2 NW/4 and N/2 SE/4  
 Section 20: NE/4 and NE/4 NW/4  
 Section 21: N/2 and N/2 SE/4 and NE/4 SW/4

All in San Juan County, New Mexico

3. That it is desired to establish a barrier along the perimeter of the proposed unit and project area by injecting water into the Lower Gallup formation.
4. That the wells in the Bisti-Lower Gallup Oil Pool are produced from the Lower Gallup Oil Sand which is found at the approximate depth of 4829 feet in Sunray Mid-Continent Oil Company's Federal "C" Well No. 1 located in the Northwest Quarter of the Northwest Quarter (NW/4 NW/4) of Section 6, Township 25 North, Range 12 West, NMPM, San Juan County, New Mexico.
5. That it is proposed to inject water into Sunray Mid-Continent Oil Company's Federal "C" Well No. 5 located in the SW/4 SW/4 of Section 6 and Sunray Mid-Continent Oil Company's Federal "C" Well No. 3 located in the SW/4 NW/4 of Section 6 both in Township 25 North, Range 12 West, NMPM, San Juan County, New Mexico.
6. That casing has been set and cemented in the proposed injection wells as follows:

Sunray Mid-Continent Federal "C" No. 5:

8-5/8" casing set at 195' with 150 sacks of cement  
5-1/2" casing set at 5000' with 200 sacks of cement

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10-3/4" casing set at 178' with 200 sacks of cement  
5-1/2" casing set at 5026' with 250 sacks of cement

The casing in the injection well will be tested in accordance with such rules and methods heretofore approved by the Commission or as may be prescribed by it prior to use as an injection well.

7. That it is estimated that between 100 and 700 barrels of water per day will be injected into each water injection well.

8. That a water supply well will be drilled in the vicinity of the project area from which water for injection purposes will be obtained.

9. That attached hereto, marked Exhibit "A", and made a part hereof by this reference, is a plat showing the location of the proposed injection wells; the location of all oil and gas wells, including drilling wells and dry holes, and the names of lessees within one-half mile of the proposed injection wells; and the name of each offset operator.

10. That attached hereto and made a part hereof is a copy of a letter to the Office of the State Engineer, marked Exhibit "B", which complies with Commission Memorandum No. 5-58 dated January 31, 1958.

11. That the operator of this project is Sunray Mid-Continent Oil Company, P. O. Box 2039, Tulsa 2, Oklahoma.

12. That in the interest of conservation, the prevention of waste, and to more effectively and efficiently operate the liquefied petroleum gas-gas injection project, it is recommended to the Commission that rules and regulations be adopted to accomplish the following in the portion of the Bisti-Lower Gallup Oil Pool as described above:

- (1). The conversion of producing wells to water injection wells upon approval of the Secretary-Director of the Commission.
- (2). The transfer of the allowables from water injection wells to producing wells within the project area.
- (3). Such other rules and regulations which the Commission deems to be necessary.

WHEREFORE Applicant prays that this application be set for hearing, that notice be given as required by law and that upon the evidence adduced at such hearing, the Commission issue an order granting to Applicant permission to inject water into the Bisti-Lower Gallup Oil Pool, and establishing rules and regulations in that portion of the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico, described in this application, as more fully set out in this application.

Dated this 17<sup>th</sup> day of April, 1959.

SUNRAY MID-CONTINENT OIL COMPANY

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