

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF SKELLY)
OIL COMPANY FOR AN ORDER AUTHORIZING A)
WATERFLOOD PROJECT IN THE LANGLIE MATTIX)
POOL BY INJECTION INTO ITS J. C. JOHNSON)
WELL NO. 4, AND TO DUALY COMPLETE THE)
SAID WELL IN THE JALMAT GAS ZONE, SAID WELL)
LOCATED IN SECTION 20, TOWNSHIP 23 SOUTH,)
RANGE 37 EAST, LEA COUNTY, NEW MEXICO.)

CASE NO. 5197

A P P L I C A T I O N

Comes now Skelly Oil Company and alleges and states:

1. That it is a Delaware corporation authorized to do business in the state of New Mexico, and that it is operating wells on its J. C. Johnson Lease, located in Section 20, Township 23 South, Range 37 East, Lea County, New Mexico.

2. That Applicant seeks permission to institute a pilot waterflood project in the Langlie Mattix Pool by the injection of water into the Langlie Mattix Pool through the tubing and before a packer in its J. C. Johnson Well No. 4, located in Section 20, Township 23 South, Range 37 East, Lea County, New Mexico, through the open hole section from 3,425 feet to 3,650 feet. The water to be injected will be produced salt water from various Skelly operated leases in the immediate vicinity. The anticipated initial volume injected will be 300 barrels of water per day at a maximum pressure of 1800 psi. The wells in the project area are in an advanced state of depletion, and the said J. C. Johnson Well No. 4 is presently shut in. Unit
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3. Applicant further seeks permission to dualy complete the said J. C. Johnson Well No. 4 in the Jalmat gas zone through perforations between 2,925 feet and 2,990 feet. The production will be through the tubing casing annulus with a packer separating the Jalmat gas zone from the Langlie Mattix formation.

4. That the proposed pilot waterflood project will result in the recovery of otherwise unrecoverable oil, thereby preventing waste. The dual completion of said well in the Jalmat gas zone will also result in recovery of gas and prevent waste.

5. That based on performance and information gained from the injection into the aforementioned well the applicant may request administrative approval to expand the project and convert additional wells to water injection without showing waterflood response.

6. Operators offsetting the proposed injection well have heretofore been notified of this proposed pilot waterflood project.

WHEREFORE, PREMISES CONSIDERED, Applicant requests that this matter be set down for hearing, that notice hereof be given as required by law, that at the conclusion of said hearing based on the evidence adduced the Commission enter its order granting Skelly Oil Company permission to conduct a waterflood project in the Langlie Mattix Pool through injection in its J. C. Johnson Well No. 4, located in Section 20, Township 23 South, Range 37 East, Lea County, New Mexico, to further provide for administrative expansion of the project area and the conversion of additional wells by administrative means without the necessity of separate hearings, for permission to dualy complete the said J. C. Johnson Well No. 4 in the Jalmat gas zone, and for such other orders, rules and regulations as may be necessary in the premises.

Respectfully submitted,

SKELLY OIL COMPANY

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