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BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION OF TESORO PETROLEUM CORPORATION FOR AN AMENDMENT TO ORDER NO. R-2807, CASE NO. 3132, McKINLEY COUNTY, NEW MEXICO

Case No. 2000

## APPLICATION

Comes now Tesoro Petroleum Corporation by its attorneys and requests the New Mexico Oil Conservation Commission to amend its Order No. R-2807 entered in Case No. 3132 on November 24, 1964 to allow the production from wells previously designated as injection wells, to authorize new injection wells and to approve unorthodox locations for new producing wells, and in support of its application states:

- 1. Tesoro Petroleum Corporation is the successor in interest to Texstar Petroleum Company which was the applicant at the previous hearing concerning the Hospah unit waterflood project.
- 2. By Order No. R-2807 entered in Case No. 3132 on November 24, 1964 the Commission approved a waterflood project in the Hospah unit area (see Case No. 3131, Order No. R-2797, dated November 10, 1964) by the injection of water into the Hospah sand through eight injection wells with specified locations.
- 3. Applicant seeks approval of two new injection wells as follows:

Well No. 68 to be located 990 feet from the north line and 2310 feet from the east line of Section 36, T. 18 N., R. 9 W., McKinley County, New Mexico.

Well No. 69 to be located 2310 feet from the north line and 940 feet from the west line of Section 36, T. 18 N., R. 9 W., McKinley County, New Mexico.

4. Applicant seeks approval of two unorthodox locations for producing wells as follows:

Well No. 62 to be located 1900 feet from the south line and 1140 feet from the west line of Section 36, T. 18 N., R. 9 W., McKinley County, New Mexico.

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Well No. 71 to be located 1310 feet from the south line and 2000 feet from the west line of Section 36, T. 18 N., R. 9 W., McKinley County, New Mexico.

- 5. Applicant further seeks the amendment of Order No. R-2807 to permit Well No. 63 located 1980 feet from the north line and 2310 feet from the west line of Section 36, T. 18 N., R. 9 W., McKinley County, New Mexico, to be operated as a producing well rather than as an injection well as previously authorized by said order.
- 6. Applicant further seeks the amendment of Order No. R2807 rescinding the authorization to inject water into a well
  located 1650 feet from the south line and 1640 feet from the west
  line of Section 36, T. 18 N., R. 9 W., McKinley County, New Mexico.
- 7. The source of water for all injection wells in the Hospah unit will be from the Dakota formation in Well No. 53 located 540 feet from the south line and 2300 feet from the east line of Section 36, T. 18 N., R. 9 W., McKinley County, New Mexico.
- 8. Inasmuch as all of the authority sought by this application concerns wells located in the Hospah unit area, correlative rights will be protected by the granting of this application.

  Approval of this application will result in the recovery of oil that is unrecoverable by primary means of production and therefore waste will be prevented.
- 9. A copy of this application is being furnished to the Office of the State Engineer.

WHEREFORE, Tesoro Petroleum Corporation requests that this application be set for hearing before the Commission or one of its examiners and that the Commission enter its order amending Order No. R-2807 as requested herein.

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