

Entered December 14, 1959
WLP

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. 1805
Order No. R-1533

APPLICATION OF CHACO OIL COMPANY
FOR AN ORDER AUTHORIZING A WATER
FLOOD PROJECT IN THE RED MOUNTAIN
OIL POOL, MCKINLEY COUNTY, NEW
MEXICO, AND FOR ELEVEN UNORTHODOX
WATER INJECTION WELL LOCATIONS

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 10, 1959, 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 23rd day of November, 1959, 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 proposes to institute a water flood project in the Red Mountain Oil Pool by the injection of water into the Menefee zone of the Mesaverde formation through the following-described 11 wells at unorthodox locations in Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico:

Well No. I-1, located 980 feet from the South line
and 2025 feet from the East line of Section 20;

Well No. I-2, located 490 feet from the South line
and 2300 feet from the East line of Section 20;

Well No. I-3, located 80 feet from the South line
and 2280 feet from the East line of Section 20;

-2-

Case No. 1805

Order No. R-1533

Well No. I-4, located 310 feet from the North line
and 2290 feet from the East line of Section 29;

Well No. I-5, located 615 feet from the North line
and 1920 feet from the East line of Section 29;

Well No. I-6, located 600 feet from the North line
and 1500 feet from the East line of Section 29;

Well No. I-7, located 370 feet from the North line
and 1150 feet from the East line of Section 29;

Well No. I-8, located 5 feet from the North line
and 1130 feet from the East line of Section 29;

Well No. I-9, located 450 feet from the South line
and 1145 feet from the East line of Section 20;

Well No. I-10, located 900 feet from the South line
and 1280 feet from the East line of Section 20;

Well No. I-11, located 1330 feet from the South line
and 1490 feet from the East line of Section 20.

(3) That the applicant further proposes that an administrative procedure be established to permit the relocation of injection wells at other unorthodox locations in the event that the injection wells drilled as herein proposed should prove to be productive of oil.

(4) That the producing wells in the area to be water-flooded are substantially depleted.

(5) That the operation of the proposed pilot water flood project should be governed by Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables.

IT IS THEREFORE ORDERED:

(1) That the applicant be and the same is hereby authorized to institute a water flood project in the Red Mountain Oil Pool by the injection of water into the Menefee zone of the Mesaverde formation through the following-described wells at unorthodox locations in Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico:

Well No. I-1, located 980 feet from the South line
and 2025 feet from the East line of Section 20;

-3-

Case No. 1805
Order No. R-1533

Well No. I-2, located 490 feet from the South line and 2300 feet from the East line of Section 20;

Well No. I-3, located 80 feet from the South line and 2280 feet from the East line of Section 20;

Well No. I-4, located 310 feet from the North line and 2290 feet from the East line of Section 29;

Well No. I-5, located 615 feet from the North line and 1920 feet from the East line of Section 29;

Well No. I-6, located 600 feet from the North line and 1500 feet from the East line of Section 29;

Well No. I-7, located 370 feet from the North line and 1150 feet from the East line of Section 29;

Well No. I-8, located 5 feet from the North line and 1130 feet from the East line of Section 29;

Well No. I-9, located 450 feet from the South line and 1145 feet from the East line of Section 20;

Well No. I-10, located 900 feet from the South line and 1280 feet from the East line of Section 20;

Well No. I-11, located 1330 feet from the South line and 1490 feet from the East line of Section 20.

(2) That an administrative procedure be and the same is hereby established to permit the relocation of injection wells at other unorthodox locations upon showing the following:

(a) That an injection well drilled at a location herein authorized has proven productive of oil.

(b) That the proposed relocation will place the injection well in a pattern which will result in a thorough and efficient sweep of the oil by the water flood.

(3) That the operation of the water flood herein authorized shall be governed by Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowances.

(4) That monthly progress reports on the water flood project herein authorized shall be submitted to the Commission in accordance with Rule 704 and Rule 1119 of the Commission Rules and Regulations.

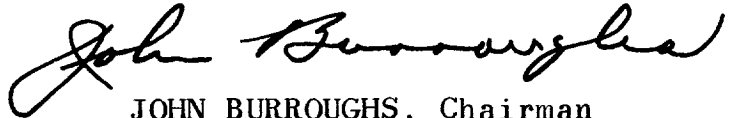
-4-

Case No. 1805

Order No. R-1533

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN BURROUGHS, Chairman



MURRAY E. MORGAN, Member



A. L. PORTER, Jr., Member & Secretary

S E A L

vem/