

*Entered August 16, 1963  
W. J. P.*

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. 2849  
Order No. R-2524

APPLICATION OF SKELLY OIL COMPANY  
FOR A WATERFLOOD PROJECT, 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 July 10, 1963, 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 July, 1963, 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 East Bisti Unit Agreement has been approved by the Commission by Order No. R-2521; that the East Bisti Unit Area comprises 17,812 acres, more or less, of Federal, State, and Indian lands in Townships 24 and 25 North, Ranges 9, 10, and 11 West, NMPM, San Juan County, New Mexico, as more fully described in said order.
- (3) That the applicant, Skelly Oil Company, seeks permission to institute a waterflood project in the Bisti Lower-Gallup Oil Pool in the East Bisti Unit Area by the injection of water into the Gallup formation through 34 wells located within said unit area.
- (4) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (5) That the proposed waterflood project is in the interest of conservation and should result in recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-

CASE No. 2849

Order No. R-2524

(6) That the subject application should be approved and the project should be governed by the provisions of Rule 701 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Skelly Oil Company, is hereby authorized to institute a waterflood project in the Bisti Lower-Gallup Oil Pool in the East Bisti Unit Area, San Juan County, New Mexico, by the injection of water into the Gallup formation through the following-described 34 wells:

<u>Company, Lease</u>	<u>Well No.</u>	<u>Unit</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
Shell Oil Co., Mudge 6	12-16	E	16	25 North 11 West	
Shell Oil Co., Mudge 6	14-16	M	16	25 North 11 West	
Shell Oil Co., Mudge 6	23-16	K	16	25 North 11 West	
Gulf Oil Corp., Tah-Nez-Bah	1	I	21	25 North 11 West	
Mobil Oil Co., Ah-Nus-Bah	1	K	22	25 North 11 West	
Sun Oil Co., Ka-Na-Pah	2	B	22	25 North 11 West	
Texaco, Navajo "O"	1	O	15	25 North 11 West	
Sunray DX Oil Co., Es-Ka-Nel-E-Wood	2	O	22	25 North 11 West	
Sun Oil Co., Ko-Sa	2	N	23	25 North 11 West	
Mobil Oil Co., Ken-No-To	1	A	26	25 North 11 West	
Gulf Oil Corp., Carson Federal	3	M	24	25 North 11 West	
Gulf Oil Corp., Carson Federal	4	K	24	25 North 11 West	
Gulf Oil Corp., Carson Federal	5	G	24	25 North 11 West	
Sun Oil Co., H. Begay	1	L	25	25 North 11 West	
Gulf Oil Corp., Carson Federal	2	M	30	25 North 11 West	
Skelly Oil Co., Lockhart "A"	1	A	31	25 North 10 West	
Sunray DX Oil Co., N. Eaton	1	P	30	25 North 10 West	
El Paso Natural Gas Products Co., Brookhaven "A"	5	E	29	25 North 10 West	
El Paso Natural Gas Products Co., Irish	1	F	32	25 North 10 West	
Humble Oil & Ref. Co., State AY	2	P	32	25 North 10 West	
Amerada Pet. Corp., Ye-Na-Pah-White	1	C	4	24 North 10 West	
Skelly Oil Co., L.E. Lockhart	1	O	33	25 North 10 West	
Skelly Oil Co., L.E. Lockhart	2	I	33	25 North 10 West	
Monsanto Chemical Co., Atlas	2	E	34	25 North 10 West	
El Paso Natural Gas Products Co., Moss	4	P	3	24 North 10 West	
Pan American Pet. Corp., State AW	1	L	2	24 North 10 West	
Humble Oil & Ref. Co., State AZ	2	F	2	24 North 10 West	

-3-

CASE No. 2849  
Order No. R-2524

Humble Oil & Ref. Co.,	1	B	2	24 North 10 West
Bisti Oil Unit				
The California Co.,	12-4	F	12	24 North 10 West
Federal "9"				
The California Co.,	12-2	B	12	24 North 10 West
Federal "9"				
The California Co.,	1-4	P	1	24 North 10 West
Federal "9"				
The California Co.,	7-3	F	7	24 North 9 West
Federal "7"				
The California Co.,	7-6	H	7	24 North 9 West
Federal "7"				
The California Co.,	8-2	N	8	24 North 9 West
Federal "7"				


(2) That the subject waterflood project shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including the allowable provisions thereof, and including the provisions with respect to expansion of the waterflood project.

(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1119 of the Commission Rules and Regulations.

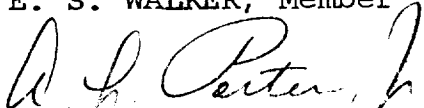
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JACK M. CAMPBELL, Chairman

  
E. S. WALKER, Member

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

S E A L

esr/