BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Entered dugat 19, 1960

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 2025 Order No. R-1741

APPLICATION OF SOCONY MOBIL OIL COMPANY FOR PERMISSION TO CONVERT TO WATER INJEC-TION ONE WELL IN THE HORSESHOE-GALLUP OIL POOL, 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 27, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 <u>4th</u> day of August, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Socony Mobil Oil Company, is the owner and operator of the Navajo "A" Well No. 9, located in the NE/4 NW/4 of Section 14, Township 31 North, Range 17 West, Horseshoe Gallup Oil Pool, San Juan County, New Mexico.

(3) That the said Navajo "A" Well No. 9 offsets a proposed pressure maintenance project in the Horseshoe-Gallup Oil Pool to be instituted by Humble Oil & Refining Company.

(4) That the applicant, with the concurrence of Humble Oil & Refining Company, desires to convert said Navajo "A" Well No. 9 to water injection in order to create a water barrier thus lessening the migration of oil across lease lines.

(5) That the applicant requests that upon conversion of said well to water injection, it be assigned an allowable equal to top unit allowable for the Horseshoe-Gallup Oil Pool with permission to transfer said allowable to other wells on the same lease. -2-CASE No. 2025 Order No. R-1741

(6) That approval of the subject application is in the interest of conservation and the protection of correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant be and the same is hereby authorized to convert to water injection its Navajo "A" Well No. 9, located in the NE/4 NW/4 of Section 14, Township 31 North, Range 17 West, Horseshoe-Gallup Oil Pool, San Juan County, New Mexico.

(2) That upon conversion of said Navajo "A" Well No. 9 to water injection and upon actual injection of water into said well, it shall be assigned top unit allowable for the Horseshoe-Gallup Oil Pool, which allowable may be transferred to another well or other wells on the same basic lease.

PROVIDED HOWEVER, That except for the Navajo "A" Well No. 16, located in the NW/4 NE/4 of said Section 14, no part of the allowable assigned to said Navajo "A" Well No. 9 may be transferred to wells on the Navajo "A" lease which directly or diagonally offset any other lease.

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

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, Dembor

Partie,

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

SEAL

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