

Entered February 8, 1963
W.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. 2729
Order No. R-2419

APPLICATION OF SCANLON & SHEPARD
FOR A WATERFLOOD PROJECT, CHACO
WASH-MESAVERDE OIL POOL, MCKINLEY
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

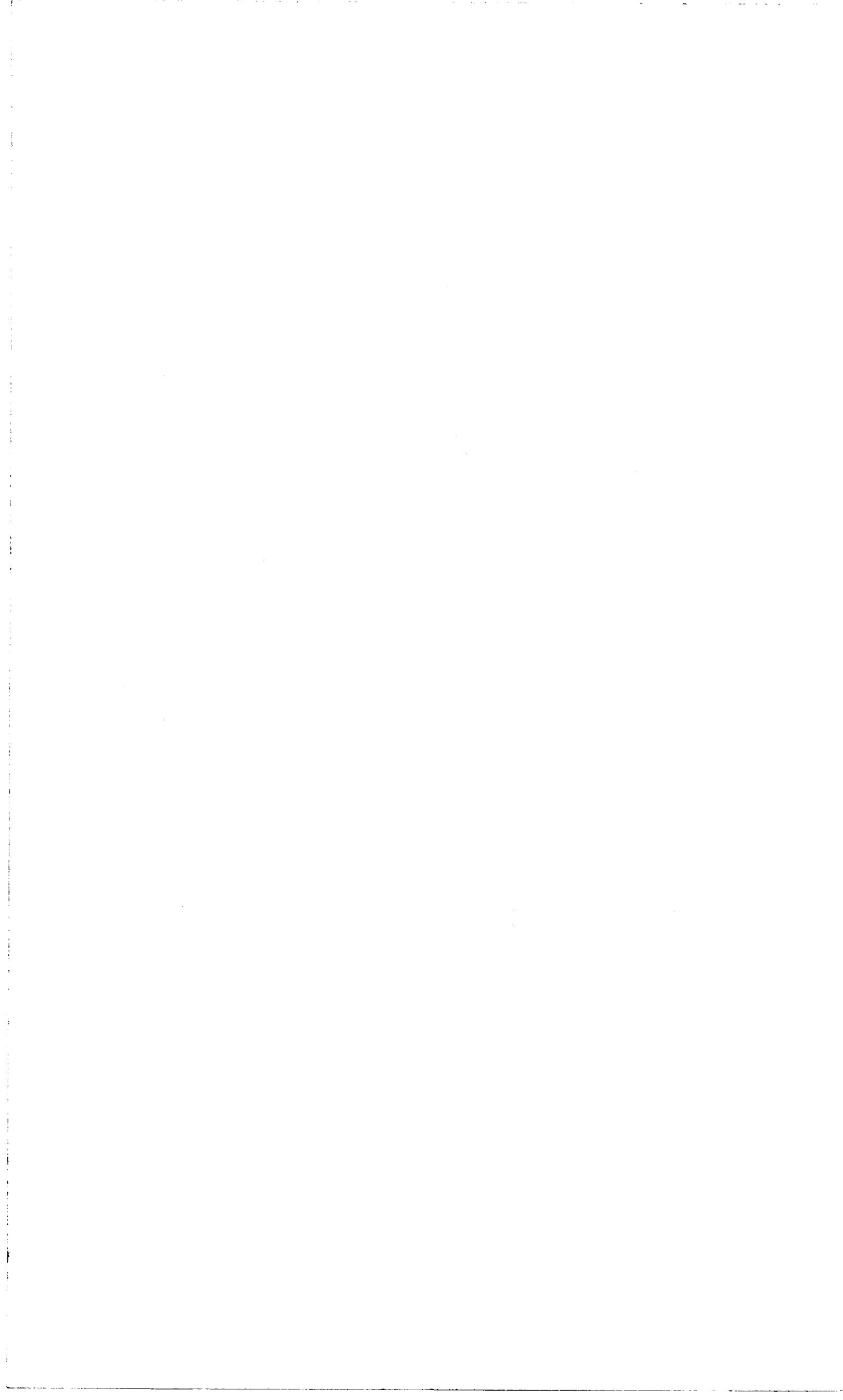
BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 23, 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 1st day of February, 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 applicant, Scanlon & Shepard, seeks permission to institute a waterflood project to be known as the Chaco Wash Waterflood Project in the Chaco Wash-Mesaverde Oil Pool in Sections 21, 22, 27, and 28, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico, with the initial injection of water into the Mesaverde formation through three wells located in Unit P of Section 21, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico.
- (3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (4) That the proposed waterflood project is in the interest of conservation and should result in recovery of otherwise unrecoverable oil.
- (5) That the subject application should be approved and should be governed by the provisions of Rule 701, including the



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allowable provisions thereof, and including the provisions with respect to expansion of the waterflood project.

IT IS THEREFORE ORDERED:

(1) That the applicant, Scanlon & Shepard, is hereby authorized to institute the Chaco Wash Waterflood Project in the Chaco Wash-Mesaverde Oil Pool in Sections 21, 22, 27, and 28, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico, with injection of water into the Mesaverde formation through the following wells:

Scanlon & Shepard-Santa Fe Well No. 5;
Scanlon & Shepard-Santa Fe Well No. 7;
Scanlon & Shepard-Santa Fe Well No. 8;

all in Unit P of Section 21, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico.

(2) That the subject waterflood project shall be governed by the provisions of Rule 701, 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.

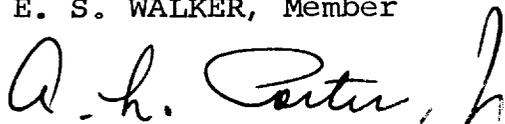
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

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

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