Estered February 9, 1966

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. 3353 Order No. R-3040

APPLICATION OF TESORO PETROLEUM CORPORATION TO AMEND ORDER NO. R-2807, 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 5, 1966, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>9th</u> day of February, 1966, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 by Order No. R-2807, the Commission authorized the institution of a waterflood project in the Hospah Pool in the Hospah Unit Area by the injection of water into the Hospah Sand through four wells in Section 36, Township 18 North, Range 9 West, and four wells in Section 1, Township 17 North, Range 9 West, NMPM, McKinley County, New Mexico.

(3) That the applicant, Tesoro Petroleum Corporation, seeks amendment of Order No. R-2807 to substitute six injection wells for six of the injection wells authorized therein and to approve unorthodox locations for two producing wells.

(4) That approval of the subject application should increase the efficiency of the subject waterflood project, and otherwise prevent waste and protect correlative rights. -2-CASE No. 3353 Order No. R-3040

IT IS THEREFORE ORDERED:

(1) That Order No. R-2807 is hereby amended to authorize, in lieu of the water injection wells described therein, the following-described water injection wells:

MCKINLEY COUNTY, NEW MEXICO

- Hospah Unit Well No. 60, located 2310 feet from the South line and 1060 feet from the West line of Section 1, Township 17 North, Range 9 West, NMPM;
- Hospah Unit Well No. 61, located 3650 feet from the South line and 1000 feet from the West line of Section 1, Township 17 North, Range 9 West, NMPM;
- Hospah Unit Well No. 64, located 1650 feet from the North line and 660 feet from the East line of Section 36, Township 18 North, Range 9 West, NMPM;
- Hospah Unit Well No. 65, located 990 feet from the South line and 250 feet from the East line of Section 36, Township 18 North, Range 9 West, (previously authorized);
- Hospah Unit Well No. 66, located 330 feet from the North line and 330 feet from the East line of Section 1, Township 17 North, Range 9 West, NMPM, (previously authorized);
- Hospah Unit Well No. 67, located 2070 feet from the North line and 1590 feet from the East line of Section 1, Township 17 North, Range 9 West, NMPM;
- Hospah Unit Well No. 68, located 990 feet from the North line and 2310 feet from the East line of Section 36, Township 18 North, Range 9 West, NMPM; and
- Hospah Unit Well No. 69, located 2310 feet from the North line and 940 feet from the West line of Section 36, Township 18 North, Range 9 West, NMPM.

(2) That Order No. R-2807 is hereby amended to approve unorthodox locations in the Hospah Pool for the following-described producing wells: -3-CASE No. 3353 Order No. R-3040

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- Hospah Unit Well No. 62, located 1900 feet from the South line and 1140 feet from the West line of Section 36, Township 18 North, Range 9 West, NMPM; and
- Hospah Unit Well No. 71, located 1310 feet from the South line and 2000 feet from the West line of Section 36, Township 18 North, Range 9 West, NMPM.

(3) 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 AMPREI Chairman 70 B. HAYS, Member Low

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

SEAL

esr/