

PAN AMERICAN PETROLEUM CORPORATION

SECURITY LIFE BUILDING
DENVER, COLORADO 80202

April 22, 1966

File: SBR-190-986.511

Re: Application of Pan American
Petroleum Corporation for an
Order Approving the Expansion of
Northeast Hogback Unit Pressure
Maintenance Project by Converting
One Additional Producing Well to
Water Injection Service
Horseshoe Gallup Oil Pool
San Juan County, New Mexico

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Dear Sir:

Attached for your consideration and approval are three (3) copies of Pan American Petroleum Corporation's Application for an order approving the expansion of the Northeast Hogback Unit Pressure Maintenance Project by converting one additional producing well to water injection service, Horseshoe Gallup Oil Pool, San Juan County, New Mexico.

If you do not receive written objection from the interested parties in the subject case, Pan American requests your administrative approval under the terms of New Mexico Oil Conservation Commission Rules. The interested parties have been requested to acknowledge receipt of a copy of this Application and to consent to the use of Northeast Hogback Unit Well No. 36 as a water injection well. Attached are approved copies of Sundry Notices from the U. S. Geological Survey consenting to the use of said well as an injection well.

Yours very truly,

ATB Richards

Attachments

cc: Atlantic Refining Company
Suite 760, Petroleum Club Building
Denver, Colorado 80202

State Engineer's Office
P. O. Box 1079
Santa Fe, New Mexico

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

APR 1 11 1 00

IN THE MATTER OF THE APPLICATION OF
PAN AMERICAN PETROLEUM CORPORATION FOR
AN ORDER APPROVING THE EXPANSION OF THE
NORTHEAST HOGBACK UNIT PRESSURE MAINTENANCE
PROJECT BY CONVERTING ONE ADDITIONAL PRODUCING
WELL TO WATER INJECTION SERVICE
HORSESHOE GALLUP OIL POOL
SAN JUAN COUNTY, NEW MEXICO

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A P P L I C A T I O N

COMES NOW Pan American Petroleum Corporation and respectfully presents this Application to the Oil Conservation Commission of the State of New Mexico for an Order approving the expansion of the Northeast Hogback Unit Pressure Maintenance project by converting one additional well to water injection service, Horseshoe Gallup Pool, San Juan County, New Mexico. In support of this Application, Pan American Petroleum Corporation states:

1. That the Applicant, Pan American Petroleum Corporation (hereinafter called Pan American), is a Delaware Corporation duly authorized to transact business in, and is transacting business in the State of New Mexico.

2. That Pan American is the Operator under terms of the Northeast Hogback Unit Agreement and files this Application as Unit Operator and on behalf of all persons owning interest in lands committed to the Northeast Hogback Unit Area under terms of the Unit Agreement. That the Oil Conservation Commission, by its Order No. R-2026, Case No. 2317, dated July 13, 1961, authorized Pan American to institute a pressure maintenance project in the Horseshoe Gallup Oil Pool, San Juan County, New Mexico by the injection of water into the Gallup formation through 20 wells. That the pressure maintenance project is known as Northeast Hogback pressure maintenance project and includes lands formerly designated by Order No. R-1494 as part of the Northeast Hogback Unit.

3. Applicant requests authority to convert to water injection and operate as a water injection well the following well now producing from the Gallup formation:

Northeast Hogback Unit Well No. 36
360' FSL and 1730' FEL Section 10, T30N-R16W
San Juan County, New Mexico.

4. Pursuant to the provisions of Rule 11 of New Mexico Oil Conservation Order No. R-2026, dated July 13, 1961, and Statewide Rule 701, the Applicant presents the following exhibits in support of this Application:

Exhibit "A" - A plat showing the location of the proposed injection well, all wells within the project area, offset lease operators, and wells which offset the project area. The plat also shows the formation from which said wells are producing or have produced.

Exhibit "B" - A diagramatic sketch of the proposed injection well which fully describes the casing and tubing, including diameters and setting depths, the quality of cement used and the top of cement, the type and location of the packer, the perforated intervals and depth showing that the injection of water will be confined to the Gallup formation.

Exhibit "C" - An electric log of the proposed injection well.

Exhibit "D" - An affidavit stating that the offset lease operator to the proposed injection well, Atlantic Refining Company, has been furnished a copy of this Application as required by the Rules of the Commission. That this interested party has been requested to file with the Supervisor-Director a signed waiver of objection and consent to the injection well requested in the Application without further notice to them and without a hearing before the Commission. Affidavit states that a copy of the Application, complete with attachments, has been sent to the State Engineer's office.

5. That the operation proposed by the Applicant for which approval is requested is expansion of the project by conversion of one additional well, Northeast Hogback Unit Well No. 36, to water injection service. Conversion of the said well to injection service with Northeast Hogback Unit Well No.'s 29, 32, and 37 will provide the third transverse line of injection wells completed in the Lower (Tocito) Gallup sand zone. This additional line of injection wells will speed up fillup and response from the Lower (Tocito) Gallup sand in this area of the project. That the formation into which water is to be injected is the Lower (Tocito) Gallup, a fine-grain sand, located at a depth of 1645' from the surface in Well No. 36. That water will be injected at an estimated rate of 300 barrels of water per day per well. The water for injection will be supplied by the Morrison water supply well.

6. Applicant believes that it will be in the interest of conservation to expand the project by converting the well described above to water injection service and to operate said well as a water injection well as herein requested. Expansion of the project by conversion of the additional injection well is necessary to obtain the greatest ultimate recovery of oil and gas from the Gallup formation within the project area.

WHEREFORE, Pan American requests this Application be approved by the Secretary-Director as an administrative matter if the Secretary-Director has no objection and receives no objection from any interested parties. That if the Commission believes no Order should be entered herein except by Hearing, that the Oil Conservation Commission set this matter for such Hearing and give notice thereof as required by law and the Rules of the Commission.

Respectfully submitted,

PAN AMERICAN PETROLEUM CORPORATION

A handwritten signature in cursive script, appearing to read "A. D. Hunter".

Its Attorney-in-Fact

h.l.R.

EXHIBIT "D"

A F F A D A V I T

STATE OF COLORADO)
) SS
COUNTY OF DENVER)


JOHN R. KENNEDY, of lawful age, being first duly sworn on his oath deposes and says:

That he is employed by Pan American Petroleum Corporation as a Petroleum Engineer in its Denver, Colorado office; that under his direction and supervision, a copy of Pan American Petroleum Corporation's Application for an order granting approval to expand the Northeast Hogback Unit pressure maintenance project by converting one additional Gallup producing well to water injection service, Horseshoe Gallup Oil Pool, San Juan County, New Mexico, was mailed from Applicant's Denver, Colorado office on April 22, 1966, to each of the interested parties in said case at the addresses shown herein, to wit:

The Atlantic Refining Company
Suite 760, Petroleum Club Building
Denver, Colorado 80202

State Engineer's Office
P. O. Box 1079
Santa Fe, New Mexico

and that to the best of his information, knowledge and belief, the parties above named are all of the interested parties to whom notice of such Application is required to be given in accordance with the provisions of the Rules and Regulations of the Oil Conservation Commission of the State of New Mexico.



John R. Kennedy

Subscribed and sworn to before me on this 22nd day of April, 1966.



Notary Public

My Commission expires 3-12-67.

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE