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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

APPLICATION OF THE BRITISH-AMERICAN
OIL PRODUCING COMPANY FOR AN ORDER
AUTHORIZING A PRESSURE MAINTENANCE
PROJECT IN THE BISTI-LOWER GALLUP
OIL POOL, SAN JUAN COUNTY, NEW MEXICO,
AND FOR THE PROMULGATION OF SPECIAL
RULES AND REGULATIONS COVERING SAID
PROJECT

CASE NO. 1867

APPLICATION

COMES NOW The British-American Oil Producing Company and respectfully alleges and states as follows:

1. That applicant and certain other parties are the owners and operators of certain leases which are productive of oil and gas from the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico, as shown on Exhibit "A," upon which leases said parties propose to institute a pressure maintenance program by injection of water into the Lower Gallup formation found at a depth of approximately 4,800 feet.
2. Attached hereto and made a part hereof is Exhibit "A," which is a plat showing the location of the proposed injection wells and the location of all other wells within a radius of two miles from said proposed injection wells and the formation from which said wells are producing or have produced and further indicating the lessees within said two mile radius.
3. Attached hereto and made a part hereof are the logs of three of the proposed injection wells, which are representative of the logs of the injection wells which applicant proposes to use in said project, consisting of Exhibit "B-1," which is a log of The British-American Oil Producing Company Marye No. 2, Exhibit "B-2," which is a log of The British-American Oil Producing Company Salge B No. 5, and

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Exhibit "B-3," which is a log of The British-American Oil Producing Company Navajo No. 3. Attached hereto and made a part hereof are Exhibits "C-1," "C-2," and "C-3," which are the casing program descriptions of the aforementioned Marye No. 2, Salge B No. 5 and Navajo No. 3, respectively.

4. That applicant proposes to inject water into the Lower Gallup formation underlying the lands included within the boundaries of the "initial participation area," consisting of approximately 5080 acres, as shown on Exhibit "A" using 17 wells as designated thereon. Water for injection will be obtained from the Lower Allison-Menefee formation found at approximately a depth of 2,600 feet using three or four water supply wells, two of which wells have been drilled and are designated on said Exhibit "A" as W.S.W. No. 2 and W.S.W. No. 3. Applicant proposes to inject a minimum of 12,000 and a maximum of 16,000 barrels of water per day into said Lower Gallup formation.

5. That the aforesaid parties have entered into an operating agreement for said pressure maintenance project wherein The British-American Oil Producing Company is named Unit Operator.

6. That applicant will request the establishment of an allowable for said project and that rules and regulations be adopted including but not limited to provision for:

(a) the conversion of additional wells to injection wells without notice and hearing, subject to administrative approval by the Commission;

(b) the transfer of allowables from injection wells to producing wells within the project area;

(c) the transfer of allowables from wells which have been shut in for observation or to increase

the efficiency of the project to other wells within
the project area;

(d) such other rules and regulations as are
appropriate under the circumstances.

6. That by order No. R-1416 dated June 5, 1959, this
Commission authorized applicant to institute a pressure maintenance
project including all of sections 1 and 12, Township 25 North,
Range 13 West, and all of section 35, Township 26 North, Range 13
West, and prescribed rules and regulations governing the same.
Applicant will request that said order No. R-1416 be amended or
superseded by such order as the Commission may issue herein in
accordance with the plan of unit operation and pressure maintenance
which applicant will propose.

7. That the granting of this application will prevent waste
and will not impair the correlative rights of any party.

WHEREFORE, applicant prays that this matter be set for
hearing, that notice be given as required by law and that upon said
hearing applicant be granted the relief herein requested and such
other relief as may be appropriate under the circumstances.

THE BRITISH-AMERICAN OIL PRODUCING COMPANY

By MODRALL, SEYMOUR, SPERLING, ROEHL & HARRIS
Its Attorneys,

By 
Burns H. Errebo
1200 Simms Building, P. O. Box 466
Albuquerque, New Mexico