

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF CONTINENTAL OIL COMPANY FOR
PERMISSION TO EXPAND ITS SKAGGS
WATERFLOOD PROJECT IN EXCEPTION
TO RULE 701-E BY THE CONVERSION
OF NINE ADDITIONAL WATER INJECTION
WELLS IN THE SKAGGS POOL, LEA
COUNTY, NEW MEXICO

Case
3274

A P P L I C A T I O N

Comes now applicant, Continental Oil Company, and respectfully requests exception to Statewide Rule No. 701-E for permission to expand its Skaggs Pool Waterflood project by converting nine additional wells to water injection status in the Skaggs Grayburg Pool located in Sections 13 and 14, T-20S, R-37E, and Sections 18 and 24, T-20S, R-38E, Lea County, New Mexico, and in support thereof would show:

1. That applicant is the co-owner and operator of the Southeast Monument Unit within the boundaries of which are located 43 wells which produce or have produced from the Skaggs Grayburg Pool.

2. That Order No. R-1710, dated June 10, 1960, authorized the conversion of six producing wells to injection status for the purpose of installing a pilot waterflood in the Skaggs Pool.

3. That Administrative Order WFX-158 authorized the conversion of five additional wells to injection status under the provisions of Statewide Rule No. 701-E.

4. That applicant has entered into lease line agreements with offset operators for the purpose of conducting waterflooding operations across common lease boundaries and that such expansion must take place simultaneously in order to protect correlative rights.

5. That applicant proposes to convert for water injection purposes the wells described below:

SEMUM No. 35 - Unit G - Sec. 24, T-20S, R-37E
SEMUM No. 36 - Unit A - Sec. 24, T-20S, R-37E
SEMUM No. 44 - Unit M - Sec. 13, T-20S, R-37E
SEMUM No. 45 - Unit O - Sec. 13, T-20S, R-37E
SEMUM No. 46 - Unit I - Sec. 14, T-20S, R-37E
SEMUM No. 75 - Unit O - Sec. 18, T-20S, R-38E
SEMUM No. 76 - Unit M - Sec. 18, T-20S, R-38E
SEMUM No. 78 - Unit I - Sec. 13, T-20S, R-37E
SEMUM No. 79 - Unit G - Sec. 13, T-20S, R-37E

6. That the granting of this application is in the interest of preventing waste and protecting correlative rights.

WHEREFORE, applicant respectfully prays that this application be set for hearing before the Commission's duly appointed examiner and that upon hearing an order be entered authorizing applicant to expand its Skaggs Waterflood Project as described above.

Respectfully Submitted,
CONTINENTAL OIL COMPANY



G. C. JAMIESON
Assistant District Manager
of Production
Hobbs District

GCJ-NKL