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. 2519 Order No. R-2210

APPLICATION OF THE ATLANTIC REFINING COMPANY FOR A UNIT AGREEMENT, A PRESSURE MAINTENANCE PROJECT AND THE RECLASSIFICATION OF TWO WELLS, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 28, 1962, 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 18th day of April, 1962, 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, The Atlantic Refining Company, seeks approval of the Horseshoe-Gallup Unit Agreement covering 20,925.58 acres, more or less, of Federal, State, Indian and fee lands in Townships 30 and 31 North, Ranges 16 and 17 West, San Juan County, New Mexico.
- (3) That approval of the proposed Horseshoe-Gallup Unit Agreement will, in principle, tend to promote the conservation of oil and gas and the prevention of waste.
- (4) That the applicant further seeks permission to institute the Horseshoe-Gallup Unit Pressure Maintenance Project in the Horseshoe-Gallup Oil Pool by the injection of water into the Gallup formation through 112 wells within the proposed project area.
- (5) That the applicant proposes that an administrative procedure be established whereby said pressure maintenance