

Entered June 29, 1971
R.S.P.

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. 4545
Order No. R-4161

APPLICATION OF SHIPROCK
CORPORATION FOR A WATERFLOOD
PROJECT, SAN JUAN COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 2, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 29th day of June, 1971, 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 the applicant, Shiprock Corporation, seeks authority to institute two waterflood projects in the Shiprock-Gallup Pool by the injection of water into the Gallup formation through five wells, located in Section 17, Township 29 North, Range 18 West, NMPM, San Juan County, New Mexico.
- (3) That the wells in the project areas are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (4) That the proposed waterflood projects should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-

CASE NO. 4545
Order No. R-4161

(5) That the subject application should be approved and the projects should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Shiprock Corporation, is hereby authorized to institute the two following waterflood projects in the Shiprock-Gallup Pool by the injection of water into the Gallup formation through the following five wells located in Section 17, Township 29 North, Range 18 West, NMPM, San Juan County, New Mexico:

SHIPROCK NAVAJO H WATERFLOOD PROJECT

Injection Wells:

Navajo 17-H Well No. 75, located 2302 feet from the North line and 665 feet from the East line.

Navajo 17-H Well No. 93, located 2630 feet from the North line and 350 feet from the East line.

SHIPROCK NAVAJO I WATERFLOOD PROJECT

Injection Wells:

Shiprock Gallup 17-I Well No. 1, located 2310 feet from the South line and 330 feet from the East line.

Shiprock Gallup 17-I Well No. 4, located 1980 feet from the South line and 495 feet from the East line.

Shiprock Gallup 17-I Well No. 6, located 1650 feet from the South line and 330 feet from the East line.

(2) That the subject waterflood projects shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

(3) That monthly progress reports of the waterflood projects herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

-3-

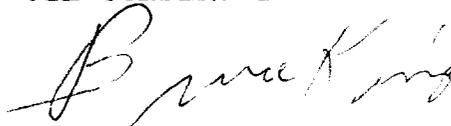
CASE NO. 4545

Order No. R-4161

(4) 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.

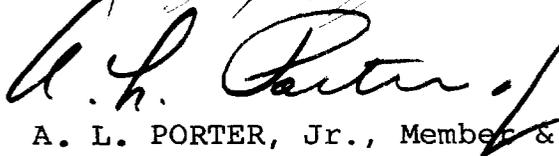
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



BRUCE KING, Chairman



ALEX J. ARMIJO, Member



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

S E A L

dr/