

BEFORE THE OIL CONSERVATION COMMISSION OF THE  
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
SUNRAY MID-CONTINENT OIL COMPANY FOR AN  
ORDER AUTHORIZING A PILOT SECONDARY RE-  
COVERY PROJECT IN THE BISTI-LOWER GALLUP  
OIL POOL IN EXCEPTION TO RULE 701 OF THE  
COMMISSION'S RULES AND REGULATIONS.

Case No. 1280

A P P L I C A T I O N

TO: THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Comes now the Sunray Mid-Continent Oil Company and makes application for  
a permit pursuant to Rule 701 of the Commission for liquified petroleum gas  
and dry gas injection into the Bisti-Lower Gallup Oil Pool within San Juan  
County New Mexico for secondary recovery and for its grounds for the issuance  
of said permit and order, states:

1. That the reservoir involved in said oil pool from which wells are  
producing or have produced is the Lower Gallup formation and found and drilled  
at a depth of between 4826 feet and 4860 feet by the British American Oil  
Company's Well Marye No. 1, located in the NE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub> Section 1, Township 25  
North, Range 13 West, N.M.P.M. San Juan County, New Mexico.

2. That the proposed pilot flood program will embrace an area of 160  
acres described as follows:

SE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> Section 36, Township 26 North, Range 13 West,  
N.M.P.M. San Juan County, which is a portion of the  
Phillips' Hospah State lease;

SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub> Section 31, Township 26 North, Range 12 West,  
N.M.P.M. San Juan County, which is a portion of the  
Sunray Mid-Continent Oil Company's Federal "C" lease;

NW<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub> Section 6, Township 25 North, Range 12 West,  
N.M.P.M. San Juan County, also a portion of Sunray  
Mid-Continent Oil Company's Federal "C" lease;

NE<sup>1</sup>/<sub>4</sub>NE<sup>1</sup>/<sub>4</sub> Section 1, Township 25 North, Range 13 West,  
N.M.P.M. San Juan County, the same being a portion  
of the British American Oil Company's Marye lease.

1       3. That the intake well for the proposed injection will be located upon  
2 the Sunray Mid-Continent Oil Company's Federal "C" lease at a point 5 feet  
3 Southeasterly of the common corner of the aforementioned Sections stated in  
4 Paragraph 2 hereof.

5       4. That the proposed casing program for the intake well is as follows:

- 6           a) 350 feet of 8-5/8" casing cemented from the bottom  
7           to top.  
8           b) A string of 5-1/2" casing will be set through the  
9           Gallup formation and cemented from the top of said  
10           formation to a point 500 feet above the same.  
11           c) The casing program will be tested in accordance with  
12           such rules and methods heretofore approved by the  
13           Commission or as may be prescribed by it in the  
14           instant case.

15       5. Applicant proposes to inject into the subject reservoir (a daily in-  
16 put) of 33,000 barrels of liquified petroleum gas under and in accordance with  
17 the provisions of a cooperative agreement with other operators and interested  
18 persons within the surrounding area; the aforesaid injection will be followed  
19 up by a dry gas injection at the proposed rate of 500,000 cu.ft. per day;  
20 said gas to be obtained from the El Paso Natural Gas Company. This program  
21 being experimental in nature, it is impractical at this time to state with  
22 exactness the duration of time that the LPG program will be carried on or the  
23 duration of the dry gas program.

24       6. The location of the intake well and the location of all oil and gas  
25 wells, including drilling wells and dry holes, are set forth on the plat  
26 marked EXHIBIT A attached hereto and made a part hereof.

27       7. That the operator of the injection program is the Sunray Mid-  
28 Continent Oil Company, applicant herein, and its address is P. O. Box 2039,  
29 Tulsa 2, Oklahoma.

      8. That the names of the offset operators to the pilot area and the  
lessees within one-half mile of the intake well are:

Phillips Petroleum Company  
Attention: L. E. Fitzjarrald  
Bartlesville, Oklahoma

British-American Oil Company  
Attention: T. W. Hogan  
P. O. Box 180  
Denver 1, Colorado

El Paso Natural Gas Company  
P. O. Box 1492  
El Paso, Texas

WHEREFORE, applicant prays that this Application be set for hearing,  
that notice thereof be given according to law and that upon hearing of said  
Application its permit and appropriate order be entered herein; and that the  
Commission grant the applicant such other and proper relief as may be proper  
in the premises.

DATED at Tulsa, Oklahoma, this 28 day of June, 1957.

SUNRAY MID-CONTINENT OIL COMPANY

By Burns H. Errebo  
Burns H. Errebo, Attorney by Law  
P. O. Box 2039  
Tulsa 2, Oklahoma

By Lewis P.  
L. C. White, Attorney  
P. O. Box 787  
Santa Fe, New Mexico

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Application  
was mailed this 28 day of June, 1957, to Phillips  
Petroleum Company, Attention: L. E. Fitzjarrald, Bartlesville, Oklahoma;  
British-American Oil Company, Attention: T. W. Hogan, P. O. Box 180, Denver 1,  
Colorado; and El Paso Natural Gas Company, P. O. Box 1492, El Paso, Texas.

Lewis P.