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HUMBLE OIL & REFINING COMPANY

DENVER 1, COLORADO

CENTRAL REGION

DENVER AREA

JOHN D. KNODELL, JR.
AREA ATTORNEY

June 12, 1963

P. O. BOX 120

303 534 1251
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.
Secretary-Director

Gentlemen:

RE: Application of Humble Oil & Refining Company
Case No. 2447 - Order No. R-2154

Enclosed please find Humble's application for an order approving the expansion of its Cha Cha-Gallup Pressure Maintenance Project in San Juan County, New Mexico. The original project was approved by this Commission in Order No. R-2154 in the above case. Will you please cause this application to be properly filed with the Commission. Rule 11(3) of the Special Rules and Regulations Relating to the Cha Cha-Gallup Pressure Maintenance Project provides that the permission requested in this application may be given by the Secretary-Director. It is our hope that this application can be considered and granted by the Secretary-Director without public hearing.

Respectfully,

HUMBLE OIL & REFINING COMPANY

By

Denver Area Attorney

JDK:ch

Enclosures (3)

cc: Mr. Howard C. Bratton
Hervey, Dow & Hinkle
P. O. Box 10
Roswell, New Mexico
(one copy of application with Ex. D attached)

DOCKET MAILED

Date 6/28/63

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

APPLICATION OF HUMBLE OIL & REFINING
COMPANY FOR AN ORDER APPROVING THE
EXPANSION OF ITS CHA CHA-GALLUP PRES-
SURE MAINTENANCE PROJECT, SAN JUAN
COUNTY, NEW MEXICO BY CONVERTING TWO
ADDITIONAL PRODUCING WELLS IN THE
NORTHWEST CHA CHA UNIT TO WATER IN-
JECTION SERVICE

2853
CASE NO. 2447
ORDER NO. _____

TO: THE HONORABLE OIL CONSERVATION COMMISSION,
STATE OF NEW MEXICO AND THE SECRETARY-
DIRECTOR THEREOF:

NOW COMES Applicant herein, Humble Oil & Refining Company, a Delaware corporation authorized to do business in the State of New Mexico, as Unit Operator of the Northwest Cha Cha-Gallup Unit, authorized and designated in that certain Unit Operating Agreement executed by and between the owners of the Navajo leases included in said Unit and hereby makes application to the New Mexico Oil Conservation Commission and the Secretary-Director thereof for an order authorizing the expansion of the Cha Cha-Gallup Pressure Maintenance Project and the conversion of two additional wells in the Northwest Cha Cha-Gallup Unit to water injection service, all pursuant to Rule 701 of the General Rules and Regulations promulgated by this Commission and also pursuant to Rule 11 of the Special Rules and Regulations relating to the Cha Cha-Gallup Pressure Maintenance Project as promulgated in Order No. R-2154 entered in this case. In support hereof, Applicant respectfully shows:

I.

On January 3, 1962, this Commission entered its Order No. R-2154 in this case, which said order authorized Applicant to institute a pressure maintenance project in the Cha Cha-Gallup Pool, San Juan County, New Mexico, by injecting water into the Gallup formation in certain wells described in paragraph 1 of said order in accord with the Special Rules and Regulations governing the operation of said project, all as set forth in Rules 1 through 11, inclusive, promulgated in said order.

II.

Rule 11 of said order provides that conversion of additional producing wells to water injection service and the expansion of the project area shall be accomplished only after approval thereof by the Secretary-Director of the Commission, such permission to be obtained according to the procedure prescribed in said Rule 11.

III.

Applicant hereby requests authority to convert to water injection service and to operate as water injection wells those certain wells now producing from the Gallup formation as follows:

<u>Well</u>	<u>Location</u>
Northwest Cha Cha Unit Well #32-25	NE $\frac{1}{4}$ -Sec.25-29N-14W
Northwest Cha Cha Unit Well #32-36	NE $\frac{1}{4}$ -Sec.36-29N-14W

IV.

In support of this application and as required by said rules, Applicant attaches hereto as Exhibit "A" a plat showing (1) the location of the Northwest Cha Cha Unit Wells numbered 32-25 and 32-36, (2) all offset operators and (3) the location of all wells which offset said wells and the Cha Cha-Gallup Pressure Maintenance Project area.

V.

Further in support of this application and as required by said rules, Applicant attaches hereto as Exhibits "B" and "C" schematic drawings of Northwest Cha Cha Unit Wells numbered 32-25 and 32-36, which said drawings describe fully the casing, tubing, perforated intervals and depth of said wells and further showing that the injection of water will be confined to the Gallup formation in said wells.

VI.

Further in support of this application and in accord with said requirements, Applicant attaches hereto as Exhibit "D" proof of service of a complete copy of this application on all operators of oil and gas leasehold estates offsetting the project area and said wells and the date of such service.

VII.

Further in support of this application and as required by said rules, Applicant attaches hereto as Exhibits "E" and "F" induction-electric surveys run in Northwest Cha Cha Unit Wells numbered 32-25 and 32-36.

VIII.

Further in support of this application and as required by said rules, Applicant attaches hereto as Exhibit "G" a table indicating with respect to Northwest Cha Cha Unit Wells numbered 32-25 and 32-36 the zones into which water will be injected into said wells, the kind of fluid to be injected into said wells, the anticipated daily amounts that will be injected into said wells and the source of the water to be injected into said wells. Applicant will obtain water for injection into said wells from the San Juan River alluvium by means of wells which have heretofore been drilled adjacent to the bed of said river in Sections 15 and 16, Township 29 North, Range 14 West. Said water source wells have been tested and are capable of producing water in quantities sufficient to continue to supply water for injection into injection wells heretofore authorized in the Cha Cha-Gallup Pressure Maintenance Project and also in additional quantities sufficient to provide water for injection into the two additional injection wells as proposed herein.

IX.

Further in support of this application and as required by said rules, Applicant attaches hereto as Exhibit "H" Form C-116 issued by this Commission entitled "Gas-Oil Ratio Report," setting forth information with regard to all Northwest Cha Cha Unit wells which have responded to the Cha Cha-Gallup Pressure Maintenance Project heretofore authorized in Order No. R-2154 in this case.

X.

Applicant believes and states that it will be in the interest of conservation and the prevention of waste to convert Northwest Cha Cha Unit Wells numbered 32-25 and 32-36 to water injection service and to operate said wells as water injection wells by injecting water into said wells at rates for which authority is sought herein. Conversion of said wells is necessary

to obtain the greatest ultimate recovery of oil and gas from the Gallup formation in the said project area. Applicant, therefore, respectfully requests that authority be granted it to convert and operate the said wells as water injection wells in accord with all of the provisions contained in the Special Rules and Regulations governing the Cha Cha-Gallup Pressure Maintenance Project as said Rules and Regulations are set forth in Order No. R-2154 in this case.

WHEREAS, Applicant requests that an order be entered granting it authority to convert Northwest Cha Cha Unit Wells numbered 32-25 and 32-36 to water injection service and to operate said wells as water injection wells as part of the Cha Cha-Gallup Pressure Maintenance Project heretofore authorized by this Commission in its Order No. 2154 in this case according to all of the terms and provisions set forth in the Special Rules and Regulations governing the operation of said project as contained in said order.

Respectfully submitted,

HUMBLE OIL & REFINING COMPANY

By


Its Attorney

JOHN D. KNODELL, JR.
P. O. Box 120
Denver 1, Colorado

Telephone: (303) 534-1251