

CONTINENTAL OIL COMPANY

P. O. BOX 460 HOBBS, NEW MEXICO

PRODUCTION DEPARTMENT HOBBS DISTRICT JACK MARSHALL DISTRICT MANAGER G. C. JAMIESON ASSISTANT DISTRICT MANAGER

June 4, 1965

1001 NORTH TURNER TELEPHONE: EX 3-4141

J. 6 1 3 17 9

New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico

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

Gentlemen:

Re: Application to Expand Skaggs

Waterflood, Skaggs Pool, Lea

County, New Mexico

We forward herewith application, in triplicate, for permission to expand to full scale the Skaggs Waterflood project currently in progress within the boundaries of the Southeast Monument Unit, Lea County, New Mexico.

Attached to the application are the following: plat showing the location of the waterflood area and surrounding leases, the location of wells and ownership thereof; (2) logs of the proposed injection wells, and (3) a diagramatic sketch of each proposed injection well.

We are furnishing by certified mail a copy of this application to the State Engineer's office, P. O. Box 1079, Santa Fe, New Mexico.

We should appreciate your setting this matter for hearing at the next Examiner Hearing.

GCJ-DFW

Enc.

Copies to: RGP GW JWK USGS

(By Certified Mail): State Engineer's Office

P. O. Box 1079

Santa Fe, New Mexico

DOCKET MAILED

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



APPLICATION

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 water-flooding 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:

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