

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION) CASE NO. 2546
OF THE BRITISH-AMERICAN OIL PRODUCING)
COMPANY FOR AUTHORITY TO INJECT FLUID) FILED _____
INTO THE YATES SAND FORMATION IN THE)
JALMAT FIELD, LEA COUNTY, NEW MEXICO.) HEARING _____

A P P L I C A T I O N

Comes now The British-American Oil Producing Company, on behalf of itself and others and respectfully states, as follows:

1. That it is the owner and operator of oil and gas wells in the Jalmat Field, Lea County, New Mexico.

2. That it desires to conduct water flood operations in this pool by injecting fluids into the Yates Sand Formation, which sand shall be construed to mean the sand and reservoir encountered in the drilling of The British-American Oil State D-#1 Well, between the depths of 3,812 feet KB and 4,018 feet KB, as shown by the Radiation Log of said well, which well is located 660 feet from the North line and 660 feet from the East line of Section 23, Township 22 South, Range 35 East, Lea County, New Mexico.

3. That applicant proposes to conduct water flood operations by injection of fluids into the Yates Sand above described in an area known as the Jalmat Field-Yates Sand Unit, which unit consists of a portion of Township 22 South, Range 35 East, Lea County, New Mexico, the unit area containing 2,760 acres, more or less, as more specifically set out on a map entitled Exhibit "A" attached hereto and made a part hereof by reference.

4. That initially, applicant proposes to inject fluid into wells located and identified on plat attached hereto marked Exhibit "A", which said plat, in addition to showing the location of proposed injection wells, shows the location of all other wells within a radius of two miles from said proposed injection wells and the formation from which said wells

are producing or have produced and further indicating the lessees, working interest owners or operators within said two mile radius.

5. That attached hereto marked Exhibit "B" and made a part hereof is the log of one of the proposed injection wells, which is representative of the logs of the injection wells which applicant proposes to use in said project, the log being that of The British-American New Mexico B-#6 Well located 1980 feet from the South line and 1650 feet from the East line of Section 14, Township 22 South, Range 35 East, NMPM.

6. Attached hereto and made a part hereof is Exhibit "C" which contains a description of the casing program of the proposed injection wells.

7. That applicant proposes to inject fresh water from the Capitan Reef found at approximately a depth of 4100 feet from the surface and proposes to inject, initially, between 5000 and 6000 barrels of water per day through sixteen (16) presently producing wells to be converted to injection wells. Applicant proposes to convert additional wells to an ultimate injection rate of a total of approximately 8000 barrels of water per day. Average injection rate per well per day will be approximately 350 barrels of water.

8. That applicant makes this application pursuant to the provisions of Rule 701(E) of the Rules of this Commission and seeks an Order granting approval for the conducting of water flood operations in the designated area in accordance with said Rule, including administrative approval for the conversion of additional injection wells, within the unit area designated on Exhibit "A" attached hereto.

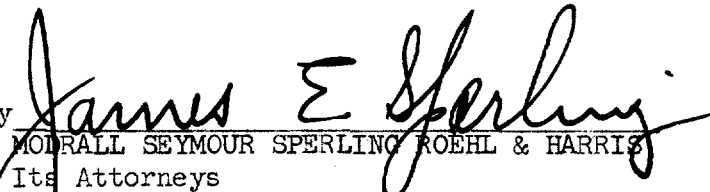
9. That the applicant and other parties have entered into, or will enter into, Unit Agreement, application for approval of which has been filed simultaneously herewith and have also entered into Operating Agreement wherein this applicant is named unit operator.

WHEREFORE, applicant prays that this matter be set for hearing and notice be given as required by law and that upon such hearing applicant be granted approval of its proposed water injection program as herein set forth and that applicant be granted such other relief as may be appropriate to the circumstances.

Respectfully submitted,

THE BRITISH-AMERICAN OIL PRODUCING COMPANY

By



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