

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
AMBASSADOR OIL CORPORATION FOR AN)
ORDER GRANTING APPROVAL OF APPLICANT'S)
PROPOSED PILOT WATER FLOOD PROJECT IN)
THE SQUARE LAKE POOL, EDDY COUNTY, NEW)
MEXICO.)

No. 1368

APPLICATION

Comes now Applicant, Ambassador Oil Corporation, by its attorneys, and pursuant to Rule 701 of the Rules and Regulations of the Commission, states:

1. Applicant is the owner of certain operating rights in Sections 29, 30 and 32 of Township 16 South, Range 31 East, Eddy County, New Mexico, within the limits of the Square Lake Pool as defined by the Commission.

2. Applicant desires to initiate a pilot water flood program to inject water into presently existing wells situated as follows:

- a. SW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 29
- b. NE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 29
- c. SW $\frac{1}{4}$ SE $\frac{1}{4}$ Section 29
- d. NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 32
- e. SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 29
- f. NE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 30

Applicant attaches hereto a plat, marked Exhibit "1", showing the location of each such intake well and the location of all oil and gas wells and the names of the lessees within one-half mile of the said wells.

3. The said wells are producing from the Grayburg-San Andres formation and the name, description and the depth of the formations affected is indicated on Exhibit "2" attached to this application.

4. Information relating to the intake wells, including the casing program, is included in the well record summary attached and marked Exhibit "2".

5. Water to be injected is to be obtained from a water well situated in the approximate center of the SW $\frac{1}{4}$ of Section 29 and the amount to be injected will be determined by experimentation in an effort to inject one barrel of water for each acre foot within the producing formation.

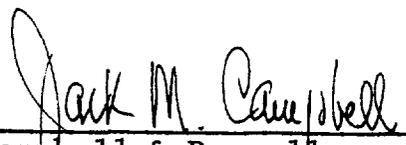
6. The operator of the project will be Ambassador Oil Corporation, Artesia, New Mexico.

WHEREFORE, Applicant requests that this matter be set down for a hearing before an Examiner and that notice be published as provided by law, and that after hearing, the Commission issue its order approving the above described pilot water flood project.

Respectfully submitted,

AMBASSADOR OIL CORPORATION

By: _____


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