

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
NEWMONT OIL COMPANY FOR THE APPROVAL)
OF AN EXPANSION OF THE NEWMONT OIL)
COMPANY LOCO HILLS WATERFLOOD PROJECT)
TO INCLUDE THE WEST LOCO HILLS GRAY-)
BURG NO. 4 SAND UNIT AREA IN TOWNSHIP)
17 SOUTH, RANGE 29 EAST, TOWNSHIP 18)
SOUTH, RANGE 29 EAST, TOWNSHIP 18 SOUTH,)
RANGE 30 EAST, N.M.P.M., EDDY COUNTY,)
NEW MEXICO.)

No. 2473

APPLICATION

COMES NOW Newmont Oil Company by its Attorneys, Campbell & Russell, and states:

1. It is the proposed Unit Operator in the West Loco Hills Grayburg No. 4 Sand Unit Area and it has filed its Application with the Commission for the approval of said Unit.

2. It is the Operator of the Newmont Oil Company Loco Hills Waterflood Project in Eddy County, New Mexico, heretofore authorized by the Commission, and the proposed West Loco Hills Grayburg No. 4 Sand Unit Area is immediately adjacent thereto and is a logical and reasonable expansion thereof.

3. There is attached hereto as Exhibit 1 a plat showing the location of all presently proposed injection wells within the unit area. Applicant presently proposes to commence injection of water in the following described injection wells:

Ballard B No. 1 - SE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 1, Township 18 South,
Range 29 East

Dixon Yates Federal No. 2 - SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 1, Township
18 South, Range 29 East

Newmont Canfield No. 1-A - NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 7, Township
18 South, Range 30 East

4. Logs of the proposed injection wells are not available.

5. A description of the casing program in the presently proposed injection wells is attached hereto as Exhibit 2.

6. It is proposed to inject water into the West Loco Hills Grayburg No. 4 Sand between the depths of 2767 feet and 2792 feet as shown on the Gamma Ray Neutron Log of the Newmont-Ballard Well No. B-6 located in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 1, Township 18 South, Range 29 East, Eddy County, New Mexico. Water is to be obtained by purchase from Yucca Water Company.

7. The approval of the expansion of the Loco Hills Water-flood Project will be in the interest of conservation, will prevent waste, and correlative rights will be protected.

WHEREFORE, Applicant requests the Commission to set this matter down for hearing before its Examiner, publish notice as required by law and, after hearing, issue its order approving the expansion of said project as requested.

Respectfully submitted,

NEWMONT OIL COMPANY

By Clark M. Campbell
CAMPBELL & RUSSELL
P.O. Drawer 640
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Its Attorneys

DATED: December 7, 1961