

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF )  
NEWMONT OIL COMPANY FOR AN ORDER )  
AMENDING ORDERS NO. R-1110, R-1110-A, )  
R-1110-B and R-1110-C TO PROVIDE FOR )  
APPROVAL OF A PROJECT AREA FOR ITS SQUARE )  
LAKE POOL WATERFLOOD PROJECT IN SECTION )  
19, 28, 29, 30, 32, 33 and 34, TOWNSHIP )  
16 SOUTH, RANGE 31 EAST, EDDY COUNTY, NEW )  
MEXICO, AND PROVIDING PROCEDURES FOR )  
EXPANSION WITHIN SAID PROJECT AREA. )  
\_\_\_\_\_ )

No. 12345

APPLICATION

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

1. It is the operator of a pilot waterflood project in  
the Square Lake Pool, Eddy County, New Mexico, authorized by the  
Commission in its Orders No. R-1110, R-1110-A, R-1110-B and R-1110-C  
dated January 15, 1958, April 3, 1958, June 22, 1961, and June 7,  
1962.

2. The presently developed area of said project has  
established the feasibility of waterflooding the Lower Grayburg  
and Upper San Andres formations in said pool and has further es-  
tablished that such flooding will result in increased ultimate  
recovery of oil and will, therefore, prevent waste.

3. Applicant has an Operating Agreement with John N.  
Fidel as to the N $\frac{1}{2}$ NE $\frac{1}{4}$  of Section 29, Township 16 South, Range 31  
East, N.M.P.M., Eddy County, New Mexico, whereby the Applicant,

as Operator, will expand the pilot area to include the above described tract, under proper orders of the Commission.

4. Orders R-1110 and R-1110-A were entered prior to the revisions of Rule 701 and this Application involves a legitimate expansion of a then-existing waterflood project.

WHEREFORE, Applicant requests the Commission to set this matter down for hearing before an Examiner, publish notices as required by law, and after hearing, to issue its order:

1. Defining the proper limits of the Square Lake Pool waterflood project;
2. Establishing rules for expansion of the flood within the defined area; and
3. Providing for capacity allowables for the area in a like manner as such allowables are now being permitted in the pilot area.

Respectfully submitted,

NEWMONT OIL COMPANY

BY: John F. Russell  
CAMPBELL & RUSSELL  
P. O. Drawer 640  
Roswell, New Mexico

Attorneys for Applicant