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BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

IN THE MATTER OF THE JOINT APPLICATION)
OF H & M OIL COMPANY, KINCAID & WATSON,)
N. E. SALSICH, JR., AND KERSEY FOR AN)
ORDER AUTHORIZING THEM TO COMMENCE A)
WATERFLOOD PROJECT CONSISTING OF CERTAIN)
LANDS LOCATED WITHIN SECTION 1, TOWNSHIP)
17 SOUTH, RANGE 29 EAST, AND SECTION 6,)
TOWNSHIP 17 SOUTH, RANGE 30 EAST, IN THE)
SQUARE LAKE POOL OF EDDY COUNTY, NEW)
MEXICO, BY INJECTION OF WATER INTO THE)
PREMIER, LOCO HILLS AND METEX ZONES OF)
THE GRAYBURG FORMATION AND THE LOVINGTON)
ZONE OF THE SAN ANDRES FORMATION.)

No. 3195

APPLICATION

COME NOW Applicants, H & M Oil Company, Kincaid & Watson,
N. E. Salsich, Jr., and Kersey, by their attorney, John F. Russell,
and state:

1. They are the operators of the oil and gas leases covering the S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ and S $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 1, Township 17 South, Range 29 East, and the W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 6, Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.

2. They propose to institute a waterflood project for the secondary recovery of oil on said leases and attach hereto a plat, marked Exhibit "A", showing the location of the six proposed injection wells and the location of all other wells within a radius of two miles from said injection wells.

3. Applicants, at the hearing, will present such logs as are available covering the injection wells.

4. Diagrammatic sketches of the proposed injection wells are attached hereto and marked Exhibit "B".

5. Completion data on the proposed injection wells is attached hereto and marked Exhibit "C".

6. They propose to operate their properties individually and to inject water into the Premier, Loco Hills and Metex Zones of the Grayburg Formation and the Lovington Zone of the San Andres Formation at an estimated maximum rate of approximately 400 barrels per day per well. Water for injection purposes will be obtained either from Yucca Water Company or Caprock Water Company.

7. Pursuant to Memorandum No. 5-58, they have furnished a copy of this Application and Exhibits thereto to the State Engineer.

WHEREFORE, Applicants request the Commission to set this matter down for hearing before an examiner, to publish its notice as provided by law, and, after hearing, to issue its order authorizing the waterflood project as requested in the Application.

Respectfully submitted,



John F. Russell
Attorney for Applicants

P. O. Drawer 640
Roswell, New Mexico 88201

DATED: December 30, 1964