

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

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APPLICATION OF FRANKLIN, ASTON AND FAIR, INC.)
FOR AUTHORITY TO INJECT WATER FOR A WATER)
FLOOD PROJECT, EDDY COUNTY, NEW MEXICO)

Case No. 3599

Comes now, Franklin, Aston and Fair, Inc., by its undersigned attorneys, and makes application for authority to inject water for a water flood project in Eddy County, New Mexico in accordance with Rule 701 of the Rules of the New Mexico Oil Conservation Commission, and in support thereof respectfully shows:

1. Applicant is the operator of United States Oil and Gas Lease LC 054908 covering the following described lands in Eddy County, New Mexico, being the project area, to-wit:

Township 17 South, Range 31 East, N.M.P.M.
Section 17: $W\frac{1}{2}NW\frac{1}{4}$
Section 18: $E\frac{1}{2}NE\frac{1}{4}$
containing 160 acres.

Said lease is owned by Fair Oil Company, Estate of Bert Aston, deceased, and Richard L. Ray, Trustee.

2. The production wells in the project area are in a advanced state of depletion and are commonly referred to as "stripper" wells. The proposed water flood project will result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

3. Applicant proposes to inject water (to be obtained from Sinclair Oil & Gas Company) in the San Andres and Grayburg formation in the Grayburg-Jackson pool at a depth of approximately 3520 feet, such water to be injected in the Hudson No. 1 well located 660 feet from the north line and 660 feet from the east line of Section 18, Township 17 South, Range 31 East, N.M.P.M., and in a well to be drilled and to be designated as the Hudson No. 5 well to be located

1,160 feet from the west line and 2,480 feet from the north line of Section 17, Township 17 South, Range 31 East, N.M.P.M.; approximately 400 barrels of water per day will be injected in each well. The United States Geological Survey has given its informal approval to the drilling of the Hudson No. 5 well and to the proposed water flood project.

4. Applicant seeks the establishment of the usual allowable for the project area as provided by the rules of the Commission.

5. There is attached hereto the following:

(a) A plat identified as Exhibit "A" showing the location of the proposed injection wells, the location of all other wells within a radius of two miles from said proposed injection wells, and the lessees within said two mile radius. All wells shown are essentially producing from either the Grayburg or San Andres formations.

(b) The electrical log of the Hudson No. 1 well identified as Exhibit "B".

A diagrammatic sketch of the proposed injection wells will be forwarded to the Oil Conservation Commission, to the State Engineer of the State of New Mexico, and to the United States Geological Survey prior to hearing on this application.

6. A copy of this application, complete with all attachments, has been sent to the State Engineer Office, Capitol Building, Santa Fe, New Mexico, and to United States Geological Survey, Artesia, New Mexico.

Applicant requests that this matter be set down for hearing at the earliest possible date.

Respectfully submitted,

HINKLE, BONDURANT & CHRISTY

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