#### BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION OF KEWANEE OIL COMPANY FOR APPROVAL OF A WATERFLOOD PROJECT IN THE SQUARE LAKE "12" UNIT AREA EDDY COUNTY, NEW MEXICO

Case No. 3/92

#### APPLICATION

Comes now KEWANEE OIL COMPANY and requests the New Mexico Oil Conservation Commission to approve a waterflood project in the Square Lake "12" Unit Area, Eddy County, New Mexico, and in support of its application states:

1. Coincident with the filing of this Application,
Kewanee Oil Company also has filed an Application seeking approval
of the Square Lake "12" Unit Agreement covering 1,360 acres of
Federal Land in Eddy County, New Mexico, as follows:

#### Township 17 South, Range 29 East

Section 1: S/2 SE/4, SW/4 SW/4

Section 12: N/2, SW/4, W/2 SE/4, NE/4 SE/4

#### Township 17 South, Range 30 East

Section 6: SE/4, W/2 SW/4

Section 7: N/2, W/2 SW/4

2. Kewanee Oil Company proposes to institute secondary recovery operations in the Square Lake "12" Unit Area by injecting water into the Grayburg formation through the following wells located within the Unit Area:

Name of Well	Location of Well
Root E-5	Unit P, Section 1
Root J-1	Unit B, Section 12
Root G-14	Unit J, Section 12
Root D-3	Unit L, Section 12

DOCKET MARED

Date 0/13,08

## Name of Well

Location of Well

Root F-3

Unit N, Section 12

Root H-1

Unit L, Section 6

Wilson "B" - 2

Unit F, Section 7

Attached hereto as Exhibit "A" is a plat of the Square Lake Unit Area upon which the above described injection wells are circled in red.

- 3. Attached to this Application as Exhibit "B" is a structure map of the Square Lake Field contoured on the top of the Loco Hills sand, which exhibit also shows the location of other water injection wells in secondary recovery projects adjoining the Square Lake "12" Unit Area to the North.
- 4. Attached to this Application as Exhibit "C" is a graph of the daily oil production from wells located within the Square Lake "12" Unit Area.
- 5. Attached to this Application as Exhibit "D" is a plat showing ownership and development within a two-mile radius of the Square Lake "12" Unit Area.
- 6. Attached to this Application as Exhibit "E" is a typical electric log showing the top of the Grayburg formation and the producing members within the Grayburg formation.
- 7. Attached to this Application as Exhibit "F" is a tabulation of the completion data with respect to each of the proposed water injection wells in the Square Lake "12" Unit Area.
- 8. Attached to this Application as Exhibit "G" is a schematic diagram showing typical completion of proposed injection wells.
- 9. Attached to this Application as Exhibit "H" is an analysis of the water to be utilized in this project. This water will be purchased from the Double Eagle Water Company and will be re-cycled and re-injected into the Grayburg formation insofar as practicable.

10. Approval of this Application will prevent waste and protect correlative rights.

WHEREFORE, Kewanee Oil Company requests that this Application be set for hearing before the Commission or one of its examiners and that the Commission enter its order approving the proposed waterflood project.

MONTGOMERY, FEDERICI, ANDREWS,

HANNAHS & MORRIS

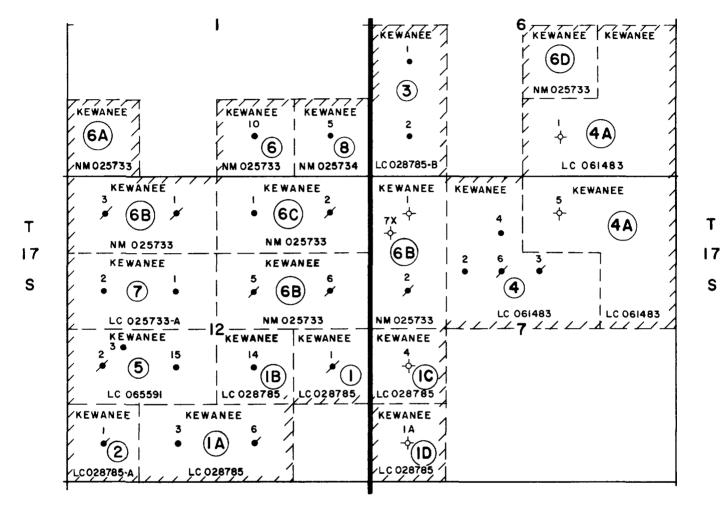
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Attorneys for Kewanee Oil Company

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### LEGEND

- //// UNIT BOUNDARY TRACT NUMBER
  - OIL WELL, PRODUCING
  - OIL WELL, ABANDONED
  - OIL WELL, INACTIVE
  - DRY HOLE
- \_\_ FEDERAL LAND

# EXHIBIT "A" SQUARE LAKE 12 UNIT

EDDY COUNTY, NEW MEXICO

SCALE: 660 1320 1000 500 2640