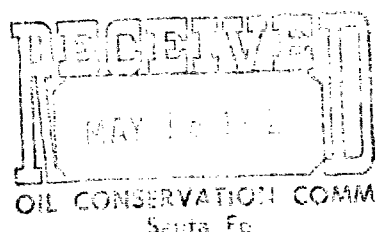


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AREA CODE 505

May 17, 1972

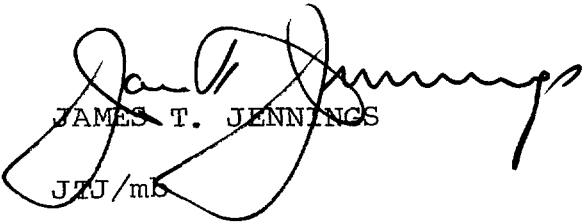


Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 4726

RE: APPLICATION OF SHENANDOAH OIL CORPORATION
FOR WATERFLOOD PROJECT

Enclosed herewith you will find an Application in duplicate
filed on behalf of Shenandoah Oil Corporation for a waterflood
project in the Shugart Pool. Please set this matter down for
hearing before an examiner on June 7.


JAMES T. JENNINGS

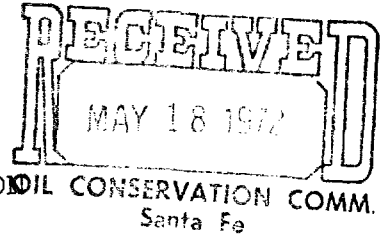
JTJ/mb

Encl.

cc: Shenandoah Oil Corporation

FILED 5-24-72

5-24-78



BEFORE THE OIL CONSERVATION COMMISSION OIL CONSERVATION COMM.
Santa Fe

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
SHENANDOAH OIL CORPORATION TO
INSTITUTE A WATERFLOOD PROJECT BY
THE INJECTION OF WATER INTO THE
GRAYBURG AND SAN ANDRES FORMATIONS
THROUGH AN INJECTION WELL TO BE
LOCATED IN THE SE $\frac{1}{4}$ NW $\frac{1}{4}$ SECTION 27,
TOWNSHIP 18 SOUTH, RANGE 31 EAST,
IN THE SHUGART YATES 7 RIVERS, QUEEN
GRAYBURG FIELD, EDDY COUNTY, NEW MEXICO.

NO. 4726

APPLICATION OF SHENANDOAH OIL CORPORATION
FOR WATERFLOOD PROJECT

Comes now the Applicant, Shenandoah Oil Corporation, and
hereby makes application for approval of a Waterflood Project pur-
suant to Rule 701 of the Rules and Regulations of the Commission
and in support thereof states:

1. Applicant desires to initiate a Waterflood Project
to inject fresh and formation water into the Grayburg and San Andres
formations in its Hinkle "F" No. 1 Well located in Unit F (SE $\frac{1}{4}$ NW $\frac{1}{4}$),
being 1880 feet FNL and 1980 feet FWL of Section 27, Township 18
South, Range 31 East.

2. That the six wells located on its Hinkle "F" Lease
and all other wells in the area have reached an advanced state
of depletion and are stripper wells, and that Applicant is only
producing 106 barrels of oil per day from the six wells located
on its Hinkle Lease.

3. That Applicant feels that waterflooding the Grayburg
and San Andres formations is feasible and that flooding will re-
sult in the increased ultimate recovery of oil and prevent waste.

4. That Applicant is currently successfully operating the Shenandoah Shugart Waterflood Project located in Sections 29 and 30, Township 18 South, Range 31 East, which is West of the proposed project.

5. That when the need arises, upon administrative approval Applicant should be permitted to convert to water injection additional wells within its lease boundaries as shown on Exhibit "1" attached hereto.

6. Applicant proposes to inject fresh to brackish water in the Grayburg and San Andres formations from the depth of 3712 feet to the depth of 3928 feet and to inject approximately 300 barrels of water per well per day, which water is to be acquired from a commercial water company operating in the area and which will be commingled with produced water.

7. That in support of this application and in accordance with the provisions of Rule 701, Applicant submits herewith the following exhibits:

Exhibit "1" - A plat showing the location of the proposed injection well, the location of all other wells within a radius of two miles from the proposed injection well, all of which wells are producing from the same formation and also showing the Applicant's acreage in the area.

Exhibit "2" - A diagramatic sketch of the proposed injection well showing tops of cement, performances and depths.

Exhibit "3" - A log of the Hinkle "F" No. 3 Well which is an offset to the proposed injection well and which is submitted as the Applicant has not been able to locate a log of the proposed injection well.

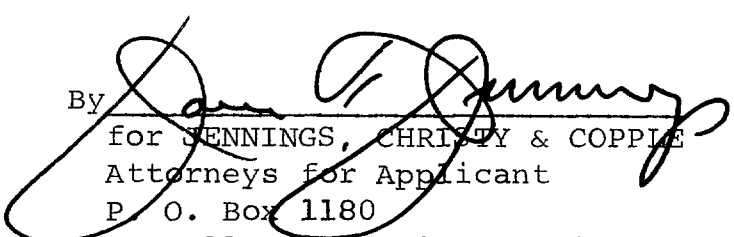
WHEREFORE, Applicant requests the Commission set this matter down for hearing before an examiner at an early date, publish the notice as required by law and, after hearing, issue its Order:

1. Authorizing the Waterflood Project and the injection of water into the Grayburg and San Andres formations in the injection well to be located in Section 27, Township 18 South, Range 31 East.

2. Establishing rules for the operation of the flood within the area and for administrative expansion and conversion of additional wells to water injection wells.

Respectfully submitted,

SHENANDOAH OIL CORPORATION

By 

for JENNINGS, CHRISTY & COPPLE
Attorneys for Applicant
P. O. Box 1180
Roswell, New Mexico 88201

SCALE: 1" = 4,000'

Case 4726

HINKLE "F" NO. 1
UNIT F 1,880' FNL & 1,980' FWL
SECTION 27, T-18S, R-31E
EDDY COUNTY, NEW MEXICO

LC 029342(b)

