MAIN OFFICE DCC

BEFORE THE OIL CONSERVATION COMMISSION FEB 2 PM 2 13 OF THE STATE OF NEW MEXICO

APPLICATION OF AMERADA PETROLEUM) CORPORATION TO ESTABLISH (O-ACRE) WATER FLOOD PILOT PROJECT FOR THE) LANGLIE MATTIX POOL AND OTHER RULES) INCLUDING PROCEDURE FOR ADMINISTRATIVE) APPROVAL TO EXTEND SUCH WATER FLOOD) PROJECT TO INCLUDE ALL OF SECTIONS 27,) 28, 33, and 34, Twp. 24 So., Rge. 37 E.,) LEA COUNTY, NEW MEXICO)

CASE NO. 3447

APPLICATION

Applicant Amerada Petroleum Corporation alleges and states:

1. By agreement among owners and other persons owning interests in the area here described, Amerada Petroleum Corporation has been designated operator of a proposed water flood project for the Langlie Maddix Pool insofar as it covers Sections 27, 28, 33 and 34, Township 24 South, Range 37 East, Lea County, New Mexico, to be known as the Langlie Maddix Woolworth Unit.

2. The vertical limits of the Langlie Maddix oil pool is defined as extending from a point 100 feet above the base of the Seven Rivers Formation to the base of the Queen Formation; and during the first quarter of 1961, the average production of oil from 44 wells completed in the Langlie Maddix, and located within the area described in the preceding paragraph, was 6.4 barrels of oil per day, indicating that the wells in this area have reached a state of depletion and are regarded as what is commonly referred to as "stripper" wells.

3. An 80-acre pilot project comprised of an area indicated on the attached plat marked as Exhibit No. 1 is proposed in which there will be 6 water injection wells located and designated as follows:

- (1) Amerada Petroleum Corporation-R. J. Johnston No. 1 located in the NW/4 SW/4 of Section 27;
- (2) Amerada Petroleum Corporation-R. J. Johnston No. 4 located in the SE/4 SW/4 of Section 27;
- (3) Humble-John Williams No. 4 located in the NW/4 NW/4 of Section 34;
- (4) Schermerhorn-Woolworth No. 2 located in the SE/4 NE/4 of Section 28;
- (5) Schermerhorn-Woolworth No. 7 located in the SE/4 SE/4 of Section 28;
- (6) A proposed well to be drilled in the NW/4 SE/4 of Section 28.

As a part of the 80-acre pilot project there will be two producing wells:

- The Amerada Petroleum Corporation-R. J. Johnston No. 2 located in the SW/4 SW/4 of Section 27;
- (2) The Schermerhorn-Woolworth No. 4 located in the NE/4 SE/4 of Section 28.

4. A radio-activity log of the Amerada-R. J. Johnston No. 3 well, located in the NE/4 SW/4 Section 27, showing the location of the vertical limits of the Langlie-Maddix Oil Pool is attached and marked as Exhibit No. 2. Electric logs for two of the proposed injection wells, the Humble-John Williams No. 4 well and the Schermerhorn-Woolworth No. 2 well, located as described above, will be furnished under separate cover prior to hearing, if then available, or will be offered at the hearing.

5. A description of the casing program of each proposed injection well will be offered at the hearing.

6. The fluid to be injected is salt water from the San Andres formation encountered at approximately 4,000 feet produced by a water well to be drilled, and during the operation of the pilot project it is anticipated that there will be injected a maximum of 500 barrels per well per day.

7. The 80-acre pilot project here proposed is to prevent waste and to increase the ultimate recovery of oil in place.

8. Applicant proposes that the Commission issue a rule authorizing the Commission without notice and hearing to issue an order approving the expansion of the water flood project to include the area herein described as soon as there is evidence that the pilot project can increase recovery of oil in place.

WHEREFORE, Applicant requests that this matter be set for hearing before an examiner, that notice thereof be given as required by law, and upon hearing that this Commission enter an order permitting the 80-acre water flood pilot project here proposed and provide for such other rules which the Commission deems necessary including a rule authorizing administrative approval for expansion of such project.

AMERADA PETROLEH

KELLAHIN AND FOX

Jason W. Kellahin

Attorneys for Applicant