BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

FIGE 000

APPLICATION OF PHILLIPS PETROLEUM COMPANY FOR APPROVAL OF A WATERFLOOD PROJECT ON THE PHILMEX LEASE, MALJAMAR-GRAYBURG-SAN ANDRES POOL, LEA COUNTY, NEW MEXICO

A Marca

Pase 4035-

<u>A P P L I C A T I O N</u>

Comes now PHILLIPS PETROLEUM COMPANY and applies to the Oil Conservation Commission of New Mexico for approval of a waterflood project on its Philmex Lease, in the Maljamar-Grayburg-San Andres Pool, Lea County, New Mexico, and in support thereof would show the Commission:

 Applicant proposes to institute a waterflood project on its Philmex Lease by injecting water into the Grayburg-San Andres formation in the Philmex No. 5 Well, located in Unit N of Section 27, Township 17 South, Range 33 East, N.M.P.M.

2. The approval of this application will result in the recovery of oil that would not otherwise be recovered.

3. Applicant's lease is offset by a waterflood project, and in order to protect applicant's correlative rights, approval of this waterflood project is necessary.

WHEREFORE, applicant prays that this application be set for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order approving the waterflood project as prayed for.

> Respectfully submitted, PHILLIPS PETROLEUM COMPANY

ason W. Kella BY : Kellahin & Fox Post Office Box 1769

DOCKET MAILED

ATTORNEYS FOR APPLICANT Date

Santa Fe, New Mexico