

BEFORE THE OIL CONSERVATION COMMISSION OF
THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
PHILLIPS PETROLEUM COMPANY FOR
APPROVAL OF A WATERFLOOD PROJECT
CONSISTING OF THE N/2 OF SE/4 OF
SECTION 2, TOWNSHIP 17 SOUTH,
RANGE 32 EAST, MALJAMAR (GRAYBURG-
SAN ANDRES) POOL, LEA COUNTY, NEW
MEXICO, AND TO CONVERT THE PHILLIPS
KENNEDY-STATE WELL NO. 1 THEREON TO
A WATER INJECTION WELL.

CASE NO. 719

APPLICATION

NOW COMES applicant PHILLIPS PETROLEUM COMPANY, a Delaware corporation with offices in Midland, Texas, and makes application for approval of a waterflood project consisting of the N/2 of SE/4 of Section 2, Township 17 South, Range 32 East, Maljamar (Grayburg-San Andres) Pool, Lea County, New Mexico, and to convert the Phillips Kennedy-State Well No. 1 thereon to a water injection well, and in support thereof shows:

1.

Applicant is the owner and operator of an oil and gas lease covering the North Half (N/2) of Southeast Quarter (SE/4) of Section 2, Township 17 South, Range 32 East, Lea County, New Mexico, now known and designated as the "Phillips Kennedy-State Lease," located within the horizontal and vertical limits of the Maljamar (Grayburg-San Andres) Oil Pool.

2.

Applicant proposes to waterflood the said Phillips Kennedy-State Lease for secondary recovery by injecting fresh water through a closed system into the Grayburg and San Andres Formations in the Phillips Kennedy-State Well No. 1, located 1,980 feet from the South and East lines (Unit "J") of Section 2, Township 17 South, Range 32 East, Lea County, New Mexico; and for such purpose applicant requests authority to convert said well to a water injection well. Water will be injected in anticipated volumes of 100 to 500 barrels per day into the open hole between 4,000 and 4,420 feet.

Applicant proposes to operate the waterflood project under the provisions of Rule 701, including the allowable provisions thereof and the provisions with respect to expansion of the waterflood project.

DOCKET MAILED

Date 4/11/63

3.

Applicant proposes to obtain water for such waterflood project from the 250-foot Ogallala Sand from a source well located in NE/4 NE/4 NE/4 of Section 1, Township 17 South, Range 32 East, or by other purchase of Ogallala water in the same general vicinity.

4.

Attached hereto and made a part hereof are the following Exhibits in support of this application:

Exhibit "1" -- Plat showing the location of the proposed injection well, and the location of all other wells and the formation from which such wells are producing and have produced and indicating the lessees, within a radius of two miles from the proposed injection well.

Exhibit "2" -- Log of said proposed injection well.

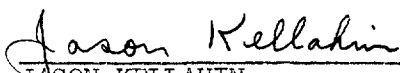
Exhibit "3" -- Description of the casing program of the proposed injection well.

Exhibit "4" -- Copy of letter sent to the State Engineer in compliance with Memorandum No. 5-58, dated January 31, 1958.

5.

Applicant would show that this application and the requested waterflood project is in the interest of conservation and should result in recovery of otherwise unrecoverable oil.

WHEREFORE, applicant PHILLIPS PETROLEUM COMPANY respectfully requests that a public hearing be held before an Examiner in Santa Fe, New Mexico, on this application and that upon said hearing said Waterflood Project and the conversion of the said Phillips Kennedy-State Well No. 1 to a water injection well be approved and authority to waterflood the Grayburg and San Andres Formations underlying said Project area be granted by the Oil Conservation Commission.


JASON KELLAHIN
Kellahin and Fox
Post Office Box 1713
Santa Fe, New Mexico

CARL W. JONES
Post Office Box 791
Midland, Texas

Attorneys for Applicant,
Phillips Petroleum Company