

IN THE MATTER OF THE APPLICATION OF :  
KENNEDY OIL COMPANY FOR A WATERFLOOD :  
PROJECT, SQUARE LAKE POOL, EDDY COUNTY, : Case No. 2681  
NEW MEXICO. :

COMES KENNEDY OIL COMPANY, by its attorneys, Losee and Stewart, and states:

1. That it is the operator of one producing oil well and four abandoned oil wells within the Square Lake Field, Eddy County, New Mexico, and within the proposed project area covered by this application; said project area is described as follows:

Township 16 South, Range 31 East, N.M.P.M.

Section 28: S/2 SE/4, E/2 SW/4, S/2 NW/4  
and containing 240 acres, more or less.

2. There is attached hereto and by reference made a part hereof, a plat showing the location of the proposed injection wells and the location of all other wells and leases within a radius of two miles from said proposed injection wells.

3. The only producing oil well within said project area is located in the NE/4 SW/4 said Section 28 and said well is in an advanced or stripper state of depletion.

4. That Applicant proposes to inject water into the now producing or once producing Grayburg and San Andres formations through the following described wells in Section 28, Township 16 South, Range 31 East, N.M.P.M., to-wit:

Kennedy Oil Company - Federal No. 1, NE/4 SW/4 <sup>A</sup>  
Resler and Sheldon - Johnson 3-B, SW/4 NW/4 <sup>E</sup>  
Kennedy Oil Company - Johnson 7-B, SW/4 SE/4. <sup>O</sup>

5. There is attached hereto and by reference made a part hereof, copies of the radioactive log and sample logs on all of the proposed injection wells.

6. There is attached hereto and by reference made a part hereof, a description of the proposed injection well casing and cementing program on the three injection wells.

7. The source of water for this project is Yucca Water Company or other similar companies.

8. That Applicant proposes to inject water into each of the injection wells at an initial pressure of approximately 1500 p.s.i. and at the rate of 500 barrels per day.

9. That Newmont Oil Company is presently operating at capacity allowable a waterflood project in the Square Lake Field immediately to the southwest adjoining Applicant's proposed project area; and therefore, Applicant proposes to conduct its waterflood project with a capacity buffer zone allowable.

10. The approval of this waterflood project will be in the interest of conservation, will prevent waste and the correlative rights will be protected.


WHEREFORE, Applicant prays the orders of the Commission,  
as follows:

1. That this matter be set for hearing before an  
examiner duly appointed by the Commission and that due notice  
be given thereof, as required by law.

2. That after hearing, an order be entered authorizing  
the Applicant to institute the aforesaid waterflood project  
by the injection of water into the producing or once producing  
Grayburg and San Andres formations through the injection wells  
hereinabove described and that buffer zone treatment with  
capacity allowables be established for the project.

3. And for such other relief as may be just in the  
premises.

KENNEDY OIL COMPANY

By 

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