

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

Case 4255

APPLICATION OF KINCAID & WATSON  
DRILLING COMPANY FOR APPROVAL OF  
A WATERFLOOD PROJECT FOR THE EAST  
RED LAKE UNIT AREA COMPRISING  
517.68 ACRES OF STATE LANDS IN  
TOWNSHIPS 16 AND 17 SOUTH, RANGE  
28 EAST, EDDY COUNTY, NEW MEXICO  
BY THE INJECTION OF WATER INTO  
WELLS COMPLETED IN THE PENROSE  
SAND OF THE QUEEN FORMATION

Oil Conservation Commission  
Box 2088  
Santa Fe, New Mexico 87501

Comes Kincaid & Watson Drilling Company, a New Mexico corporation, with offices at Artesia, New Mexico, acting by and through the undersigned attorneys, and hereby makes application for approval of a waterflood project for the East Red Lake Unit Area comprising 517.68 acres of lands of the State of New Mexico more particularly described as follows:

Township 16 South, Range 28 East

Section 35 -  $SE\frac{1}{4}SE\frac{1}{4}$

Section 36 -  $SW\frac{1}{4}$

Township 17 South, Range 28 East

Section 1 - Lots 3 and 4 ( $N\frac{1}{2}NW\frac{1}{4}$ ),  $S\frac{1}{2}NW\frac{1}{4}$

Section 2 - Lots 1 and 2 ( $N\frac{1}{2}NE\frac{1}{4}$ ),  $S\frac{1}{2}NE\frac{1}{4}$

by the injection of water into 4 wells completed in the Penrose Sand of the Queen formation underlying the above described area, and in support thereof respectfully shows:

1. That applicant is the unit operator of the proposed unit agreement for the development and operation of the East Red Lake Unit Area, Eddy County, New Mexico, and has made application to the

Oil Conservation Commission for approval of said unit agreement as required by applicable rules and regulations.

2. Applicant seeks approval of a secondary recovery project covering all of the lands within the proposed East Red Lake Unit Area. There is attached hereto as Exhibit "A" a plat showing the location of all the wells within the proposed unit area and surrounding area and the 4 wells which applicant proposes to convert to injection wells. The 4 injection wells consist of the following:

General Western Petroleum Corporation State 2-L  
in Section 36, Township 16 South, Range 28 East;

General Western Petroleum Corporation State 3-N  
in Section 36, Township 16 South, Range 28 East;

Kincaid & Watson Drilling Company Atlantic A State 1-D  
in Section 1, Township 17 South, Range 28 East;

Kincaid & Watson Drilling Company Resler & Sheldon  
1-H in Section 2, Township 17 South, Range 28 East.

Exhibit "A" also shows by broken line triangles additional wells which might possibly be converted to injection wells in the future depending upon the success of the waterflood project.

3. There is also attached hereto as Exhibit "B" a typical diagrammatic sketch of the proposed method of conversion of the producing wells into injection wells. There are also filed herewith copies of electrical logs of Kincaid & Watson Drilling Company Atlantic A State 1-D and Resler & Sheldon 1-H wells referred to above. Applicant has been unable to locate electrical logs of the other two proposed injection wells.

4. Applicant proposes to purchase fresh water for injection purposes from the Kewanee owned water supply system located in the NE $\frac{1}{4}$  Section 2, Township 17 South, Range 28 East. Applicant will be unable to determine the quantities of water which will be injected until injection pressures and other information has been obtained.

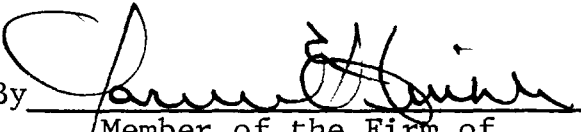
5. Applicant seeks to have assigned to the East Red Lake Unit Area a maximum project allowable in accordance with Rule 701 of the Commission.

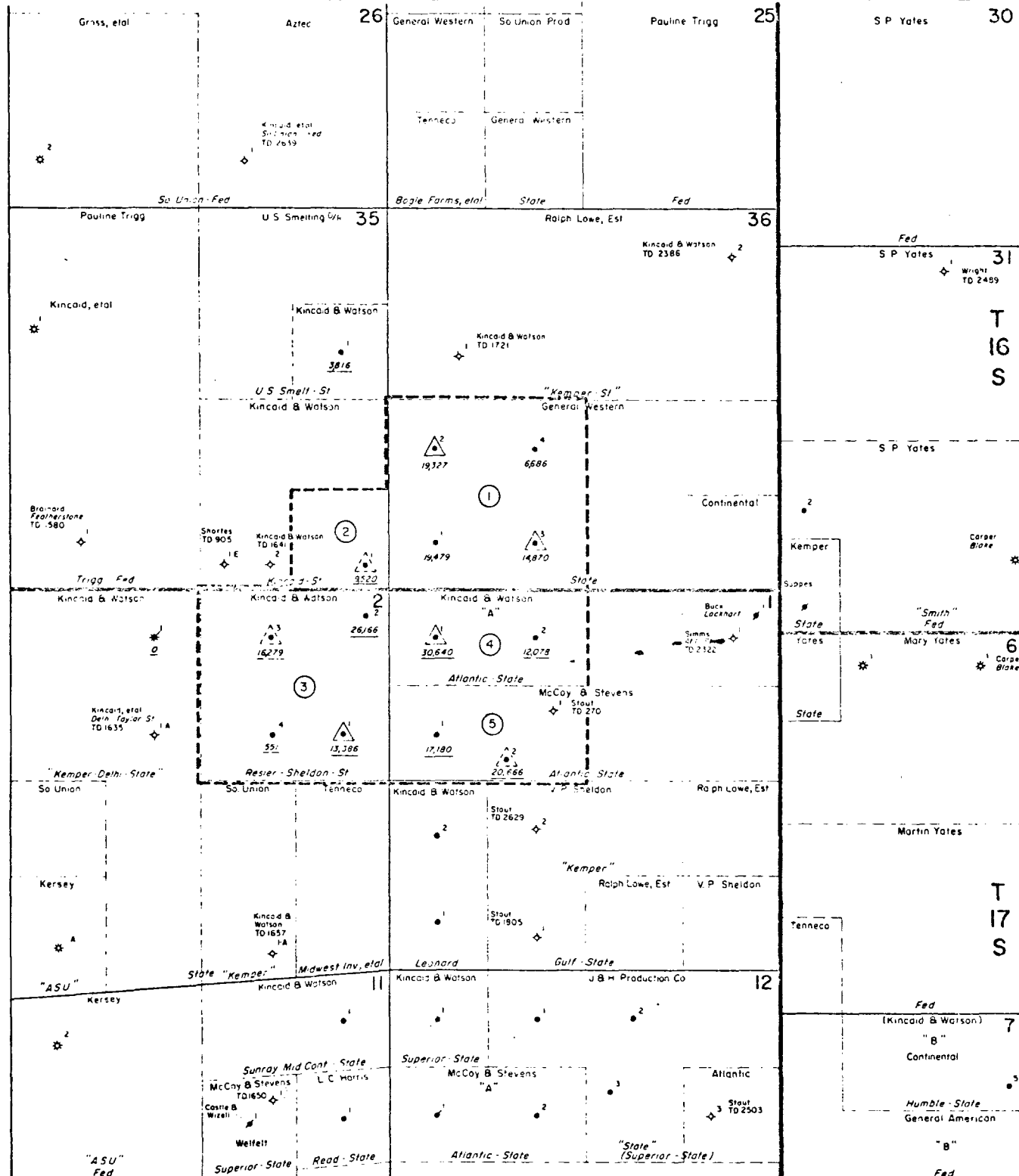
6. Applicant believes that the proposed waterflood project is in the interest of conservation and the prevention of waste and will promote the greatest ultimate recovery of oil and gas from the project area and tend to protect correlative rights.

Applicant requests that this matter be set down for hearing as soon as possible.

Respectfully submitted,

KINCAID & WATSON DRILLING COMPANY

By   
Member of the Firm of  
HINKLE, BONDURANT & CHRISTY  
Box 10  
Roswell, New Mexico 88201



RED LAKE EAST FIELD AREA  
EDDY COUNTY, NEW MEXICO

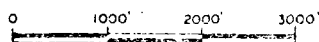
PROPOSED UNIT AREA

**EXHIBIT "A"**

- LEGEND -

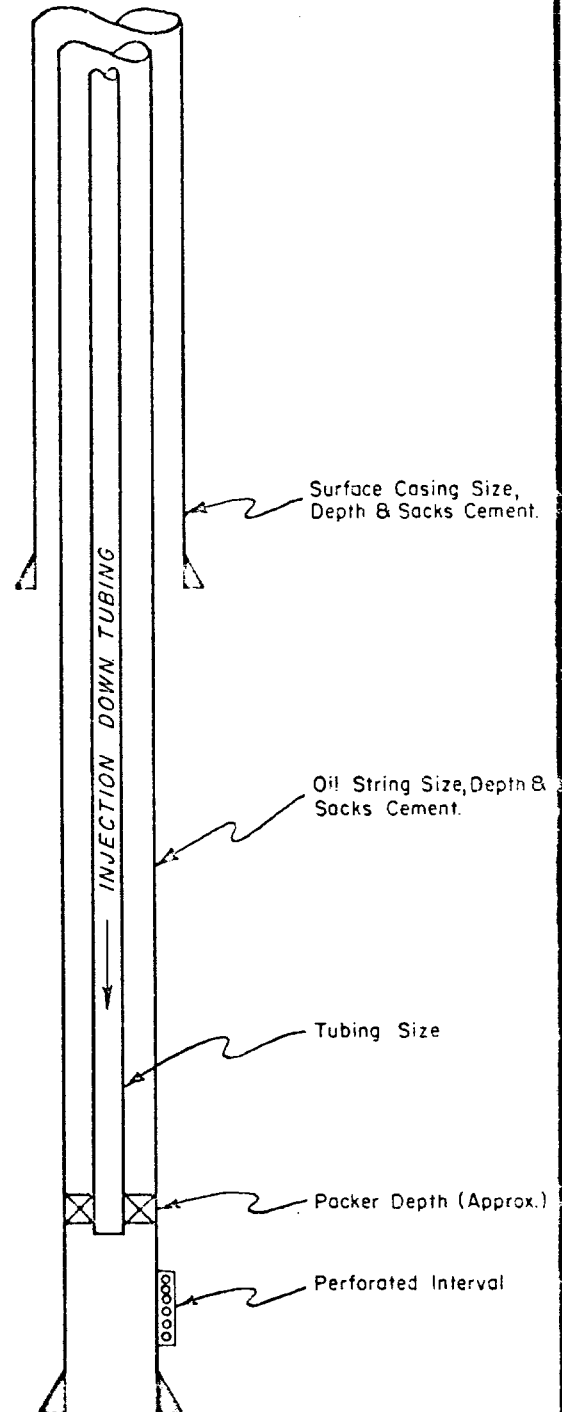
- - Producing Oil Well
- ✳ - Producing Gas Well
- - Abandoned Producer
- ✧ - Dry Hole
- ⬮ - Temporarily Abandoned
- ▲ - Injection Well Location
- △ - Possible Injection Well Location
- - Proposed Unit Boundary
- Est Cum Oil Recovery @ 1-1-67
- ② - Unit Tract Number

DATE 5-1-69



PREPARED BY ROBERT D FITTING  
& ASSOCIATES

TRACT & WELL NO.			
TRACT 1- <sup>22</sup>	TRACT 1- <sup>33</sup>	TRACT 3- <sup>41</sup>	TRACT 4- <sup>51</sup>
8 <sup>5</sup> / <sub>8</sub> " - 255'	8 <sup>5</sup> / <sub>8</sub> " - 349'	8 <sup>5</sup> / <sub>8</sub> " - 501'	8 <sup>5</sup> / <sub>8</sub> " - 493'
150 Sx.	100 Sx.	50 Sx.	50 Sx.
4 1/2" - 1679'	4 1/2" - 1700'	4 1/2" - 1640'	5 1/2" - 1680'
150 Sx.	100 Sx.	100 Sx.	100 Sx.
2"	2"	2"	2"
1630'	1650'	1560'	1610'
1631 - 1643'	1650 - 1658'	1564 - 1572'	1612 - 1626'



DIAGRAMMATIC SKETCH  
INJECTION WELL COMPLETION DATA

EAST RED LAKE (Queen) UNIT  
Eddy County, New Mexico

EXHIBIT "B<sup>22</sup>"