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LAW OFFICES OF

CAMPBELL & RUSSELL

J. P. WHITE BUILDING ROSWELL, NEW MEXICO 16 June 1958

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JACK M. CAMPBELL JOHN F. RUSSELL

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Gentlemen:

Enclosed please find, in triplicate, application of Graridge Corporation which is similar to the application of Ambassador which was filed a few days ago.

We would appreciate it if the Ambassador and Graridge matters could be set down for hearing at the same time as they involve the same approach to this matter.

Thanking you for your assistance, we are

Very truly yours,

ÇAMPBELL & RUSSELL

Jack M. Campbell

JMC:bb Enclosures

IN THE MATTER OF THE APPLICATION OF GRARIDGE)
CORPORATION FOR AN ORDER AMENDING ORDER NO.)
R-972 APPROVING THE ENTIRE PROJECT PATTERN)
OF THE WATER FLOOD PROJECT AUTHORIZED THEREBY)
IN THE CAPROCK-QUEEN POOL IN LEA AND CHAVES) Case No
COUNTIES, NEW MEXICO, AND FOR THE ESTABLISH-)
ING OF ADMINISTRATIVE PROCEDURES FOR ACTIVA-)
TION OF INTECTION WELLS)

APPLICATION

Comes now Applicant, Graridge Corporation, by its attorneys, and states:

- 1. Applicant is the owner of certain properties situated within, and, under the terms of the North Caprock-Queen Unit Agreement, is the designated operator of a secondary recovery unit area encompassing a water flood project area of the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico, which pilot water flood project was approved on April 5, 1957 by Commission Order No. R-972. A plat showing the area of the North Caprock-Queen Unit is attached hereto and marked "Exhibit 1".
- 2. Applicant has shown on "Exhibit 1" attached hereto, all present injection wells, proposed injection wells, present producing wells, and all water supply wells within the unit area.
- 3. Applicant requests the Commission to issue its order, after hearing, approving the pattern of the entire water flood project within the North Caprock-Queen Unit area as indicated on "Exhibit 1".
- 4. Applicant requests the Commission in its order approving the overall project, including the injection pattern, to provide that the operator may, upon furnishing such evidence as the Commission may require, obtain administrative approval for the activation of injection wells as determined necessary by daily engineering evaluation of overall performance data within the unit area.
- 5. Applicant states that such administrative action is necessary in order to obtain efficient operation of the water flood project without waste and to prevent reduction in the ultimate recovery of oil.

WHEREFORE, Applicant requests the Commission to set this matter down for regular hearing before an Examiner and that after hearing, the Commission issue its order approving the overall water injection pattern within the entire unit area as requested, and establish administrative procedures for the activation of water injection wells without the necessity of emergency orders or hearings.

Respectfully submitted,

CAMPBELL & RUSSELL

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DATED: June _______, 1958.