BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF NEWMONT OIL COMPANY FOR TWO UNORTHO-DOX OIL WELL LOCATIONS, BEING IN SEC-TION 6, TOWNSHIP 18 SOUTH, RANGE 30 EAST AND SECTION 31, TOWNSHIP 17 SOUTH, RANGE 30 EAST, AND ONE UNORTHO-DOX WELL LOCATION, BEING IN SECTION 31, TOWNSHIP 17 SOUTH, RANGE 31 EAST, IN THE GRAYBURG FORMATION IN THE LOCO HILLS WATERFLOOD PROJECT, EDDY COUNTY, NEW MEXICO.

NO.

APPLICATION

COMES NOW Newmont Oil Company, by its Attorneys, Campbell & Russell, and states:

1. It is the operator of the Loco Hills Waterflood Project in Eddy County, New Mexico, heretofore approved by the Oil Conservation Commission.

2. In order to obtain the greatest ultimate recovery of oil, it desires to seek approval of the Commission for two unorthodox well locations and one unorthodox water injection well location in said Project.

WHEREFORE, Applicant requests the Commission to approve this Application for the unorthodox location of the following wells:

1. Yates A #14 Well located 1,980 feet from the north line and 1,310 feet from the east line of Section 6, Township 18 South, Range 30 East, Eddy County, New Mexico, to be an oil well.

2. Brigham #5 Well located 990 feet from the east line and 1,320 feet from the south line of Section 31, Township 17 South, Range 30 East, to be an oil well. 3. Brigham #4 Well located 5 feet from the east line and 1,320 feet from the south line of Section 31, Township 17 South, Range 30 East, to be a water injection well.

All of the aforesaid wells will be completed in the Grayburg formation and will provide a waterflood pattern tending to assist in the greatest possible recovery of oil and, therefore, prevent waste. The unorthodox well locations will not adversely affect correlative rights of others.

Applicant further requests that this matter be set down for hearing at an early date before an examiner, and that notice of hearing be published by the Commission as provided by law.

> Respectfully submitted, NEWMONT OIL COMPANY

By Campbel1 & Russe

Autorneys for Newmont Oil Company