BEFORE THE OIL CONSERVATION COMMISSION OF THE 11 CI

IN THE MATTER OF THE APPLICATION OF SINCLAIR OIL & GAS COMPANY FOR APPROVAL OF A WATERFLOOD PROJECT IN THE GRAYBURG-JACKSON POOL, EDDY COUNTY, NEW MEXICO

CASE No.	2076
ORDER No.	

APPLICATION

SINCLAIR OIL & GAS COMPANY, a Maine corporation with an operating office in Midland, Texas, hereby makes application under Rule 70l for approval to institute a water injection operation under its H. E. West "A" and "B" leases in the Grayburg-Jackson Pool, Eddy County, New Mexico, and in support thereof shows:

1.

That Sinclair Oil & Gas Company is the owner and operator of its H. E. West "A" lease comprising the N/2 of Section 3 and the E/2 of Section 4, Township 17 South, Range 31 East, and its H. E. West "B" lease comprising the S/2 of Section 3, the W/2 of Section 4, and all of Section 9, Township 17 South, Range 31 East, in the Grayburg-Jackson Pool, Eddy County, New Mexico. Said leases are in an advance stage of depletion, and applicant desires to institute a secondary recovery program by waterflooding. Applicant proposes initially to convert seven wells to water injection in cooperation with Newmont Oil Company, which is the offset operator, along the north lease line. The Grayburg and San Andres formations are the zones proposed to be flooded.

2.

Attached and filed herewith is a plat showing the location of the proposed injection wells and the location of all other wells within the radius of two miles from said proposed injection wells, and showing also the lessees and operators within the two-mile radius.

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There were no logs run on the injection wells at the time of completion, or afterwards, and hence none are available for filing with this application.

4.

A description of the casing program for the proposed injection wells is tabulated as follows:

H. E. West "A" #4 7" @ 3169

" " #7 5-1/2" @ 3234

5-1/2" @ 3246

7" @ 3198

H. E. West "B" #14 D & A No Record

" " #3 7" @ 3291

7" @ 3123

Applicant proposes to inject fresh water from the Lea County Underground Water Basin into the Grayburg and San Andres formations at the interval from 3100 feet to 3500 feet below the surface and at an average rate of 350 to 400 barrels per day into each injection well.

6.

Applicant proposes that the waterflood project should be governed by the provisions of Rule 701 of the Commission's Rules and Regulations, including those provisions regarding allocation of allowables. Applicant also proposes to submit to the Commission monthly progress reports of the waterflood project in accordance with Rule 704 and Rule 1119 of the Commission's Rules and Regulations. Applicant further alleges that the granting of this application will be in the interest of prevention of waste and will not impair correlative rights.

WHEREFORE, applicant prays that the Commission set this application for public hearing before an Examiner in Santa Fe, New Mexico, that notice be issued according to law, and that upon hearing this application be granted.

P. O. Box 1470 Midland, Texas

GILBERT, WHITE AND GILBERT

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ATTORNEYS FOR APPLICANT