BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

TO OF THE STATE OF

APPLICATION OF KEWANEE OIL COMPANY)
FOR APPROVAL OF A WATER FLOOD)
PROJECT, EDDY COUNTY, NEW MEXICO)

No. 3062

APPLICATION

COMES NOW, Kewanee Oil Company and applies to the New Mexico Oil Conservation Commission for approval of a water flood project, to be instituted in the Atoka Grayburg Field, Eddy County, New Mexico, and in support of its application, states:

- 1. That the Applicant, Kewanee Oil Company, is the owner and operator of the Leavitt Lease comprising 240 acres, more or less, being the Northwest Quarter, (NW/4), of Section 13 and the East One-half, (E/2), of Section 14, Township 18 South, Range 26 East, Eddy County, New Mexico. Applicant, Kewanee Oil Company, is also the owner and operator of other leases adjacent to the Leavitt lease, namely, the Fanning lease comprising 80 acres, more or less, being the Northwest Quarter, (NW/4), of the Southwest Quarter, (SW/4), of Section 15, and the Northeast Quarter, (NE/4), of the Southeast Quarter, (SE/4), of Section 14, both in Township 18 South, Range 26 East, Eddy County, New Mexico.
- 2. That said Leavitt lease is presently developed by six producing wells in the Atoka Grayburg Field, located in Units C, D, E, and F, of Section 13 and Units A and H of Section 14. The Fanning Lease is presently developed with one producing well located in Unit I, of Section 14. Kewanee Oil Company proposes

DOCKET MAILED

Date 2-15-6

to drill one injection well to be located in Unit F, 330 feet from the South line and 330 feet from the East line of the Northwest Quarter of Section 13.

The location of the proposed injection well and the existing wells are shown on the plat attached to this application and incorporated herein by reference.

- 3. That Kewanee Oil Company proposes to inject water through the above described injection well into the Grayburg formation of the Atoka Grayburg Field, and to produce oil from said pool through the six producing wells on the Leavitt lease, and the one producing well on the Fanning lease.
 - 4. That all wells in the Atoka Grayburg field, are in an advanced stage of depletion and are properly to be considered as "stripper" wells.
 - 5. That approval of the subject application will prevent waste and protect correlative rights.

WHEREFORE, the Applicant, Kewanee Oil Company, requests that this application be set for hearing before the Commission or one of its examiners and that the Commission enter its Order approving the proposed water flood project.

Seth, Montgomery, Federici Flushows By: lihand S. Marrin Attorneys for Lewrence Oil Co.