IN THE MATTER OF THE APPLICATION OF SUNRAY DX OIL COMPANY FOR PERMISSION TO CONDUCT SECONDARY RECOVERY OPERATIONS BY WATERFLOODING THE KEELY. ZONE OF THE SAN ANDRES FORMATION UNDERLYING ITS DODD "A" AND DODD "B" LEASES LOCATED IN SECTIONS 10, 11, 14, 15, 22 AND 23, TOWNSHIP 17 SOUTH, RANGE 29 EAST, CRAYBURG-JACKSON POOL, EDDY COUNTY, NEW MEXICO.

CAUSE CD NO.

## APPLICATION

TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO:

COMES NOW Sunray DX Oil Company and respectfully states and alleges as follows:

- l. It is the owner and operator of certain oil and gas leases within the above described area located in Eddy County, New Mexico.
- 2. Applicant hereby seeks approval of the Commission to conduct secondary recovery operations by waterflooding the Keely Zone of the San Andres Formation underlying its Dodd "A" ar Dodd "B" Leases located in Sections 10, 11, 14, 15, 22 and 23, Township 17 South, Range 29 East, Grayburg-Jackson Pool, Eddy County, New Mexico.
- 3. Attached hereto is a plat showing the location of the proposed injection wells and the location of all other wells within a radius of two miles from said proposed injection wells.
- 4. Applicant intends initially to operate a pilot waterflood with injection into the Keely Zone at an average depth of 3,420 feet through the following wells:

Sunray DX Dodd "A" Nos. 9, 10 and 11; and, General American Burch No. 1-C.

An injection rate of 500 barrels of water per well per day is anticipated with a surface injection pressure of 1,250 psig.

- 5. Attached are the available logs of all proposed injection wells and a diagrammatic sketch of the proposed injection wells.
- 5. Applicant believes waterflooding the above mentioned formation will economically recover substantial quantities of oil which cannot be recovered by primary recovery methods. In the interest of conservation, the prevention of waste and the protection of correlative rights and to secure the greatest ultimate recovery of oil from the Keely Zone of the San Andres Formation, this application should be granted.
- 7. Attached hereto is a list of names and addresses of all principal lessess or operators known to Applicant to be interested in this application and the hearing thereon.

DOCKET MAILED

Date-

- 8. This application may be set for hearing before an examiner if it is so desired.
- 9. A copy of this application, complete with all attachments, has been sent to the State Engineer Office, Capitol Building, Santa Fe, New Mexico.

WHEREFORE, Applicant prays that this application be set for hearing, that Notice thereof be given as required by law and that upon the evidence adduced at such hearing the Commission issue an order authorizing Applicant to conduct secondary recovery operations by waterflooding the Keely Zone of the San Andres Formation underlying its Dodd "A" and Dodd "B" Leases located in Sections 10, 11, 14, 15, 22 and 23, Township 17 South, Range 29 East, Grayburg-Jackson Pool, Eddy County, New Mexico.

DATED at Santa 7c this 21 day of Oat,

SUNRAY DX OIL COMPANY

William R. Loar, Attorney

R. C. Spurlock, Attorney

GILBERT, WHITE & GILBERT

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