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BEFORE THE NEW MEXICO OIL COMSERVATION COMMISSION

APPLICATION OF KEWANEE OIL COMPANY FOR APPROVAL OF A WATERFLOOD PROJECT IN THE ATOKA SAN ANDRES UNIT AREA, EDDY COUNTY, NEW MEXICO Case No. 383/

APPLICATION

Comes now Kewanee Oil Company and requests the New Mexico Oil Conservation Commission to approve a waterflood project in the Atoka San Andres Unit Area, Eddy County, New Mexico, and in support of its application states:

- 1. Coincident with the filing of this Application,
 Kewanee Oil Company also has filed an application seeking approval
 of the Atoka San Andres Unit Agreement covering 3,360 acres of
 privately owned land in Township 18 South, Range 26 East, Eddy
 County, New Mexico, as more fully described and shown on Exhibits
 A and B to the Atoka San Andres Unit Agreement which is attached
 to that Application.
- 2. Kewanee Oil Company proposes to institute secondary recovery operations in the Atoka San Andres Unit Area by injecting water into that portion of the San Andres formation that is described as the "Unitized Formation" in paragraph 1.2 on page 1 of the Atoka San Andres Unit Agreement. Applicant proposes to inject water through 28 injection wells whose location is shown and tabulated on Exhibits B and F attached to this Application.
- 3. Attached to this Application as Exhibit A is a plat showing the unit area and the ownership of acreage adjacent to the unit area.
- 4. Attached to this Application as Exhibit C is a map showing the structure of the Atoka San Andres Field in the unit area.

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- 5. Attached to this Application as Exhibit D is a log of a typical injection well for this project.
- 6. Attached to this Application as Exhibit E is a diagrammatic sketch showing the manner in which injection wells typically will be completed.
- 7. Attached to this Application as Exhibit G is a graph showing monthly oil production from wells in the unit area.
- 8. Approval of this application will prevent waste and protect correlative rights.

WHEREFORE, 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 waterflood project.

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