BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION '69 May 29 AH 8 58

SANTA FE, NEW MEXICO

APPLICATION OF ANADARKO PRODUCTION) COMPANY, AS OPERATOR OF THE FAR WEST) LOCO HILLS SAND UNIT, ORIGINALLY) AUTHORIZED BY ORDER NO. R-3627, FOR) AUTHORITY TO DELETE CERTAIN WATER) INJECTION WELLS ORIGINALLY AUTHORIZED) BY ORDER NO. R-3628, TO DRILL OTHER) WATER INJECTION WELLS AND TO ACT UPON) ADMINISTRATIVE APPROVAL OF PROPOSED) FUTURE CHANGES IN LOCATIONS OF WATER) INJECTION WELLS, ALL WITHIN THE) BOUNDARIES OF THE FAR WEST LOCO HILLS) SAND UNIT, EDDY COUNTY, NEW MEXICO.)

Case No. 415-2

<u>A P P L I C A T I O N</u>

COMES NOW Anadarko Production Company, in its capacity as Operator of the Far West Loco Hills Sand Unit, Eddy County, New Mexico, hereinafter referred to as "Applicant", and makes its application for authority to delete certain water injection wells originally authorized by Order No. R-3628 dated December 16, 1968, to drill other water injection wells at the locations hereinafter specified and hereafter to act upon administrative approval of proposed changes in locations of water injection wells as may be indicated by changing reservoir conditions during the course of the waterflood project, and in support of this application states:

1. Order No. R-3628 authorized Applicant to institute a waterflood project in Applicant's Far West Loco Hills Sand Unit, Loco Hills Pool, Eddy County, New Mexico, by the injection of water into the Grayburg formation through ten (10) existing or proposed wells in Township 18 South, Range 29 East, NMPM, among which authorized water injection wells are the following.

Tract 1 - Well No. 1 located 2310' FNL and 330' FEL of Section 4; Tract 8 - Well No. 1 located 2310' FSL and 1650' FWL of Section 4; Tract 8 - Well No. 9 to be drilled 1330' FSL and 2630' FEL of Section 4.

2. Reservoir conditions which have developed since the initiation of the waterflood indicate that a more efficient flood can be obtained and a greater degree of ultimate recovery of the hydrocarbons in place may be achieved by the deletion of the foregoing three (3) water injection wells from Applicant's plan of operations and the substitution therefor of the following three (3) injection wells:

Tract 1 - Well No. 29 to be drilled 2460' FNL and 180' FEL of Section 4; Tract 8 - Well No. 34 to be drilled 1980' FSL and 1980' FWL of Section 4; Tract 8 - Well No. 35 to be drilled 10' FSL and 1650' FWL of Section 4; all of which substitute injection wells will be completed as indicated by the diagramatic sketch of proposed completion of a typical water injection well to be drilled, attached hereto as

Exhibit I.

3. Attached hereto, as required by Rule 701 B 1, is a map of the Unit Area, marked Exhibit **I**, showing the locations of the proposed injection wells, the locations of all other wells within a radius of the two miles therefrom, the formation from which said wells are producing or have produced and the names of the lessees in the area shown by said map.

4. Applicant alleges that changing conditions within the reservoir during the conduct of waterflood operations now authorized may require adjustments in the locations of injection

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wells heretofore drilled or completed or to be drilled pursuant to the order hereby sought. Further, Applicant alleges that such adjustments, if required, will not alter the general plan of operations now authorized and requests that Applicant be permitted, upon administrative approval only without the necessity of a hearing before an examiner, to make such adjustments in the locations of water injection wells within the Far West Loco Hills Sand Unit as sound engineering practices may require.

WHEREFOR, Applicant requests a hearing before an examiner and requests that after hearing thereon, the order herein sought be entered by the Commission.

ANADARKO PRODUCTION COMPANY By

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