BEFORE THE

OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF ANADARKO PRODUCTION COMPANY FOR AUTHORITY TO INSTALL AND OPERATE A WATERFLOOD PROJECT IN ANADARKO'S BURNHAM GSA UNIT, SQUARE LAKE FIELD, EDDY COUNTY, NEW MEXICO.

Cest 5032

APPLICATION

COMES NOW Anadarko Production Company and applies to the Oil Conservation Commission of New Mexico for authority to install and operate a waterflood project in the Anadarko Burnham GSA Unit, Square Lake Field, Eddy County, New Mexico by the conversion of six wells to water injection, for approval of administrative procedures for expansion or modification of said waterflood project, and in support thereof would show:

- 1. Applicant seeks permission to institute a waterflood project in the Square Lake Field, Eddy County, New Mexico by the injection of water into the Grayburg and San Andres zones.
- 2. Applicant is the operator of the Burnham GSA Unit embracing lands described as the S/2 N/2 and the S/2 of Section 2, Township 17 South, Range 30 East, N.M.P.M., consisting of 480 acres more or less.
- 3. Applicant proposes to convert to water injection its wells located in Units F, H, J, L, N, and P, all in Section 2, Township 17 South, Range 30 East, N.M.P.M., as indicated in Exhibit "A", attached hereto.

DOCKET MAILED

- 4. That the wells in the project area are in an advanced stage of depletion.
- 5. That the proposed waterflood project will result in the recovery of otherwise unrecoverable oil, thereby preventing waste and the granting of this application will not impair the correlative rights of others.
- 6. Applicant further requests that administrative procedures be authorized whereby modification or expansion of the project including the drilling of additional injection wells and or producing wells, and the conversion of existing wells to injection at both orthodox and unorthodox locations may be approved without further notice and hearing.

WHEREFORE, applicant respectfully request that this matter be set for hearing before the Commission's duly appointed examiner and that after notice and hearing as required by law, the Commission enter its order approving the application as prayed for.

RESPECTFULLY SUBMITTED:

ANADARKO PRODUCTION COMPANY

KELLAHIN & FOX P. O. Box 1769

Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT