

G. REX HOLMES  
303 BOOKER BUILDING

ARTESIA, NEW MEXICO  
March 28, 1969.

RECEIVED

MAR 31 1969

O. C. C.  
ARTESIA, OFFICE

Oil Conservation Commission  
P. O. Drawer D D  
Artesia, New Mexico 88210

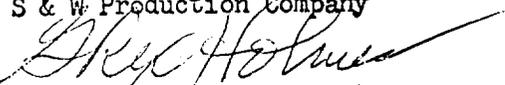
Gentlemen:

Re: Texaco Federal Lease  
Well No. 1, Unit I  
Well No. 2, Unit J  
Section 6-19S-31E  
Eddy County, N. M.  
Shugart Pool

We report that the Number 2 well on the captioned lease was discontinued as an oil producing well on March 1, 1969 to become a water injection well in a flood program.

The number 1 well produces approximately one barrel of water per day which is drawn off into a pit for evaporation.

Respectfully submitted,  
S & W Production Company

  
By G. Rex Holmes - Agent