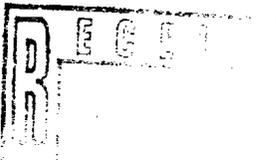


CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT

JACK M. CAMPBELL
OF COUNSEL



JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

December 23, 1992

HAND-DELIVERED

Case 3344

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

Re: Oil Conservation Division Order No. R-3007-A amending the definition of "Unitized Interval" in the West Vacuum Unit Agreement, Lea County, New Mexico

Dear Mr. LeMay:

Order No. R-3007-A approved the application of Texaco, Inc. for amendment of the definition of "Unitized Formation" in the West Vacuum Unit Agreement. A copy of this Order is enclosed for your reference.

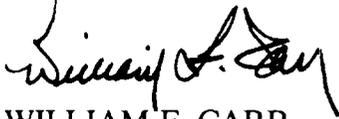
As you will note, Order paragraph 3 provides that the expanded definition of Unitized Interval shall become effective upon approval of this expansion by the Commissioner of Public Lands. This approval was received by Texaco on October 2, 1992. A copy of the Commissioner's approval letter is also enclosed.

Texaco needs a document which can be filed in the records of Lea County, New Mexico, to make other owners aware of this change in the unitized interval. Accordingly, we have prepared and enclose a Certificate of Effectiveness which contains the amended language in this agreement and defines the current unit boundaries. We would appreciate your executing this Certificate and returning it to me for filing.

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
December 23, 1992
Page 2

If you have any questions concerning this matter, please advise.

Very truly yours,



WILLIAM F. CARR

WFC:mlh
Enclosures

cc w/enc.: ✓ Robert G. Stovall, Esq.
Ronald W. Lanning



State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

JIM BACA
COMMISSIONER

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

October 2, 1992

Campbell, Carr, Berge & Sheridan, P.A.
P.O. Box 2208
Santa Fe, New Mexico 87504-2208

Attn: Mr. William F. Carr

Re: Amendment of the Definition of "Unitized Formation"
West Vacuum Unit Agreement
Lea County, New Mexico

Dear Mr. Carr:

This office is in receipt of your application to amend the West Vacuum Unit Agreement to provide for expansion of the "Unitized Interval" as originally described in Section 2, Subsection (j) of said agreement.

We have also received additional documentation supporting your application, and a copy of the New Mexico Oil Conservation's Case No. 3344 (Reopened), Order No. R-3007-1 approving said amendment dated May, 6, 1992.

It is our understanding that 99.8% of the working interest owners in the West Vacuum Unit have approved the applicant's proposed expansion of the "Unitized Formation". In addition, it is also our understanding that the unit in all other respects will remain unchanged.

Please be advised that the Commissioner of Public Lands concurs with the New Mexico Oil Conservation Division and has this date approved the amendment to the definition of "Unitized Formation" in the West Vacuum Unit Agreement. Please submit copies of the "Amendment to the Unit Agreement for the West Vacuum Unit Area" executed by the various working interest owners in said unit.

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
cc: Reader File
OCD-Santa Fe

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

RECEIVED
MAY - 8 1992
CAMPBELL, CARR, et al.

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 3344 (Reopened)
Order No. R-3007-A

APPLICATION OF TEXACO INC. FOR
AMENDMENT OF DIVISION ORDER NO.
R-3007, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on April 2 and 30, 1992, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 6th day of May, 1992, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) By Order No. R-3007 issued in Case No. 3344 on December 3, 1965, the Division, upon application of Texaco Inc., approved the West Vacuum Unit Agreement comprising some 2,000 acres, more or less, of State lands in portions of Townships 17 and 18 South, Range 34 East, NMPM, Lea County, New Mexico, for the purpose of initiating and conducting secondary recovery operations.
- (3) The applicant, Texaco Inc., seeks to amend the West Vacuum Unit Agreement and thereby Order No. R-3007, by revising the definition of the "Unitized Formation" as originally incorporated in said agreement.

(4) According to evidence presented, the original "Unitized Formation" comprised portions of the Grayburg-San Andres formation which occur between the log depths, measured from the kelly bushing, of 4,213 feet and 4,750 feet in the Texaco Inc. State "V" Well No. 8 located 660 feet from the North and West lines (Unit D) of Section 34, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, as shown on the Schlumberger Gamma Ray-Neutron Log run on said well.

(5) The applicant now proposes that the "Unitized Formation" comprise portions of the Queen, Grayburg and San Andres formations which occur between the log depths, measured from the derrick floor, of 4,004 feet and 4,774 feet in the Texaco Inc. West Vacuum Unit Well No. 13 located 330 feet from the North line and 660 feet from the East line (Unit A) of Section 34, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, as shown on the Gamma Ray-Neutron Log run on said well.

(6) According to applicant's evidence and testimony, the "Unitized Formation" was originally intended to include the entire interval as described in Finding No. (5) above, however, due to the difficulty in correlating the San Andres formation between logs and due to the thickening of the reservoir in the unit area, such intent was not originally implemented.

(7) According to further evidence, the revenue from production from the unit area has historically been distributed among the various interest owners as if the "Unitized Formation" comprised the entire interval as now proposed by the applicant.

(8) As of the date of the hearing, approximately 99.8% of the working interest owners in the West Vacuum Unit have approved the applicant's proposed expansion of the "Unitized Formation".

(9) No interest owner appeared at the hearing in opposition to the application.

(10) Approval of the proposed amendment will allow the applicant the opportunity to recover hydrocarbons which may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

(11) Pursuant to Part (4) of the West Vacuum Unit Agreement, the applicant is in the process of obtaining approval for the proposed amendment from the Commissioner of Public Lands for the State of New Mexico.

(12) Approval of the proposed expansion should become effective as per the terms of Part (4) of the West Vacuum Unit Agreement and upon approval of such expansion from the Commissioner of Public Lands for the State of New Mexico.

(13) The applicant should be required to file with the Division copies of the "Amendment to the Unit Agreement for the West Vacuum Unit Area" executed by the various working interest owners in said unit.

IT IS THEREFORE ORDERED THAT:

(1) The application of Texaco Inc. for an amendment to the West Vacuum Unit Agreement, originally approved by Division Order No. R-3007, to provide for expansion of the "Unitized Interval" is hereby granted.

(2) The "Unitized Interval" shall hereinafter comprise portions of the Queen, Grayburg and San Andres formations which occur between the log depths, measured from the derrick floor, of 4,004 feet and 4,774 feet in the Texaco Inc. West Vacuum Unit Well No. 13 located 330 feet from the North line and 660 feet from the East line (Unit A) of Section 34, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, as shown on the Gamma Ray-Neutron Log run on said well.

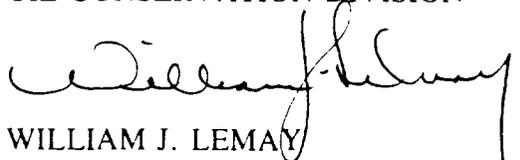
(3) The expansion of the "Unitized Interval" shall become effective as per the terms of Part (4) of the West Vacuum Unit Agreement and upon approval of such expansion from the Commissioner of Public Lands for the State of New Mexico.

(4) The applicant shall file with the Santa Fe Office of the Division copies of the "Amendment to the Unit Agreement for the West Vacuum Unit Area" executed by the various working interest owners in said unit.

(5) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

WEST VACUUM UNIT
LEA COUNTY, NEW MEXICO

CERTIFICATE OF EFFECTIVENESS

The Oil Conservation Division of the Energy, Minerals and Natural Resources Department, State of New Mexico, hereby certifies as follows:

1. The Oil Conservation Division entered Order No. R-3007-A dated May 6, 1992, which granted the application of Texaco, Inc., to amend the West Vacuum Unit Agreement, which previously had been approved by Order No. R-3007, to revise the definition of "Unitized Formation."

2. Order No. R3007-A provides that the expanded definition of "Unitized Interval" in this Unit Agreement shall become effective pursuant to the terms of Part (4) of the West Vacuum Unit Agreement ... "upon approval of such expansion from the Commissioner of Public Lands for the State of New Mexico."

3. The Commissioner of Public Lands concurred in Oil Conservation Division Order No. R-3007-A on October 2, 1992.

4. Effective October 2, 1992, all requirements for approval of Division Order No. R-3007-A had been met and on that date this order became effective and the definition of "Unitized Formation" therein was amended to read:

"Unitized Formation" means that subsurface portion of the Unit Area including portions of the Grayburg-San Andres formations which occur between the logged depths, measured from the derrick floor, of 4004 feet and 4774 feet in the Texaco Exploration and Production Inc. West Vacuum Unit Well No. 13 as shown on the Halliburton Gamma Ray-Dual Spaced Neutron log of said well which is located 330 feet from the North line and 660 feet from the East line of Section 34, Township 17 South, Range 34 East, Lea County, New Mexico."

5. The horizontal limits of this Unit Area is comprised of the following described lands in Lea County, New Mexico.

TOWNSHIP 17 SOUTH, RANGE 34 EAST, N.M.P.M.

Section 28: S/2 NW/4, N/2 SW/4, SW/4 SW/4
Sections 33 and 34: All

TOWNSHIP 18 SOUTH, RANGE 34 EAST, N.M.P.M.

Section 3: NE/4, N/2 NW/4, SE/4 NW/4, NE/4 SE/4
Section 4: N/2 N/2
Section 5: NE/4 NE/4

covering 2000 acres, more or less, of state lands.

IN WITNESS WHEREOF, THIS CERTIFICATE IS EXECUTED THIS _____
DAY OF AUGUST, 1992.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
DIRECTOR

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this _____ day of August, 1992, by William J. LeMay, Director of the New Mexico Oil Conservation Division, on behalf of said Division.

Notary Public

My Commission Expires:



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

May 7, 1992

CAMBELL, CARR, BERGE
& SHERIDAN
Attorneys at Law
P. O. Box 2208
Santa Fe, New Mexico 87504

RE: CASE NO. 3344
ORDER NO. R-3007-A

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

A handwritten signature in cursive script that reads "Florene Davidson".

Florene Davidson
OC Staff Specialist

FD/sl

cc: BLM Carlsbad Office

BEFORE THE
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

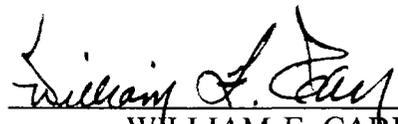
IN THE MATTER OF THE APPLICATION
OF TEXACO EXPLORATION & PRODUCTION
INC., FOR AMENDMENT OF DIVISION
ORDER NO. R-3007,
LEA COUNTY, NEW MEXICO.

CASE NO. 3344

AFFIDAVIT

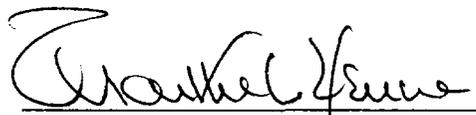
STATE OF NEW MEXICO)
)ss.
COUNTY OF SANTA FE)

WILLIAM F. CARR, attorney in fact and authorized representative of Texaco Exploration & Production Inc., the Applicant herein, being first duly sworn, upon oath, states that the notice provisions of Rule 1207 of the New Mexico Oil Conservation Division have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested persons entitled to receive notice as shown by Exhibit "A" attached hereto, and that pursuant to Rule 1207, notice has been given at the correct addresses provided by such rule.



WILLIAM F. CARR

SUBSCRIBED AND SWORN to before me this 29th day of April, 1992.



Notary Public

My Commission Expires:

August 19, 1995

EXHIBIT A

Anne Todd Barfield
10639 Sandpiper
Dallas, Texas 79702

Clifford Cone
Post Office Drawer 1629
Lovington, NM 88260

Joel H. Davis
1015 Ten Mile Road
Everson, Washington 98247

Kenneth G. Cone
Post Office Box 11310
Midland, Texas 79702

John A. Davis
2270 Santiago Rd.
Santa Barbara, CA 93103

Janet Anne Lupia
247 Southwest Parkway, #312
Lewisville, TX 75067

Georgia Lorraine Temple
Post Office Box 11392
Midland, Texas 79702

New Mexico State Land Office
State Land Office Building
Post Office Box 1148
Santa Fe, New Mexico 87504
Attn: Floyd Prando

Tommy T. Todd
7912 Purdue
Dallas, Texas 75225

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

April 1, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Tommy T. Todd
7912 Purdue
Dallas, Texas 75225

Re: Application of Texaco Inc. for Amendment of Division Order No. R-3007,
Lea County, New Mexico

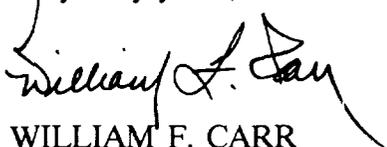
Dear Mr. Todd:

This letter is to advise you that Texaco Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking Amendment of Division Order No. R-3007 which approved the West Vacuum Unit, Lea County, New Mexico. The amendment corrects the definition of "unitized formation" to include the entire producing interval in the unit area.

This application has been set for hearing before a Division Examiner on May 14, 1992. You are not required to attend this hearing, but as an interest owner in the unit area, you may appear and present testimony. Failure to appear at that time or otherwise become a party of record will preclude you from challenging this application at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO INC.

WFC:mlh

Enclosure

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent the card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. <input checked="" type="checkbox"/> Show to whom delivered, date, and addressee's address.		2. <input type="checkbox"/> Restricted Delivery	
3. Article Addressed to: Tommy T. Todd 7912 Purdue Dallas, TX 75225		4. Article Number P 307 895 268	
5. Signature - Addressee X		Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Certified <input type="checkbox"/> Express Mail <input type="checkbox"/> Insured <input type="checkbox"/> COD	
6. Signature - Agent X [Signature]		Always obtain signature of addressee or agent. <input checked="" type="checkbox"/> DATE DELIVERED.	
7. Date of Delivery 4/1/92		8. Addressee's Address (ONLY if requested and fee paid)	

PS Form 3811 / Feb. 1986 DOMESTIC RETURN RECEIPT

P 307 895 268

Tommy T. Todd
 7912 Purdue
 DALLAS, TX 75225
 .29
 1.00

..00
 2.29
 4/1/92

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER (505) 983-6043

March 11, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Anne Todd Barfield
10639 Sandpiper
Dallas, Texas 75230

Re: Application of Texaco Inc. for Amendment of Division Order No. R-3007,
Lea County, New Mexico

Dear Ms Barfield:

This letter is to advise you that Texaco Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking Amendment of Division Order No. R-3007 which approved the West Vacuum Unit, Lea County, New Mexico. The amendment corrects the definition of "unitized formation" to include the entire producing interval in the unit area.

This application has been set for hearing before a Division Examiner on April 2, 1992. You are not required to attend this hearing, but as an interest owner in the unit area, you may appear and present testimony. Failure to appear at that time or otherwise become a party of record will preclude you from challenging this application at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO INC.
WFC:mlh
Enclosure

BEFORE EXAMINER GATANACH	
OIL CONSERVATION DIVISION	
TEXACO	EXHIBIT NO. _____
CASE NO.	3344

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE

SUITE 1 - 110 NORTH GUADALUPE

POST OFFICE BOX 2208

SANTA FE, NEW MEXICO 87504-2208

TELEPHONE: (505) 988-442

TELECOPIER (505) 983-6043

March 11, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Clifford Cone
Post Office Drawer 1629
Lovington, NM 88260

Re: Application of Texaco Inc. for Amendment of Division Order No. R-3007,
Lea County, New Mexico

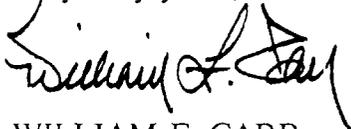
Dear Mr. Cone:

This letter is to advise you that Texaco Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking Amendment of Division Order No. R-3007 which approved the West Vacuum Unit, Lea County, New Mexico. The amendment corrects the definition of "unitized formation" to include the entire producing interval in the unit area.

This application has been set for hearing before a Division Examiner on April 2, 1992. You are not required to attend this hearing, but as an interest owner in the unit area, you may appear and present testimony. Failure to appear at that time or otherwise become a party of record will preclude you from challenging this application at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO INC.

WFC:mlh

Enclosure

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
 Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent the card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional services requested.
 1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery (Extra charge)

3. Article Addressed to:

Clifford Cone
 Post Office Drawer 1629
 Lovington, NM 88260

4. Article Number
P 106 677 368

Type of Service:
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address
 Clifford Cone

6. Signature - Agent

7. Date of Delivery

8. Addressee's Address **ONLY IF** requested (see postmaster)


PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

P-106 677 368

Clifford Cone
 Post Office Drawer 1629
 Lovington, NM 88260

Postage Fee	
Insurance - Delivery Fee	
Restricted Delivery Fee	
Return Receipt Fee - when returned to addressee	
Return Receipt Fee - when returned to Agent	
Postmark or Date	MAR 11 1992

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM F. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWER

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

March 11, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Joel H. Davis
1015 Ten Mile Road
Everson, Washington 98247

Re: Application of Texaco Inc. for Amendment of Division Order No. R-3007,
Lea County, New Mexico

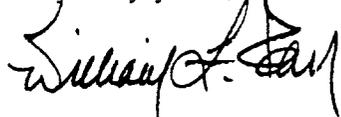
Dear Mr. Davis:

This letter is to advise you that Texaco Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking Amendment of Division Order No. R-3007 which approved the West Vacuum Unit, Lea County, New Mexico. The amendment corrects the definition of "unitized formation" to include the entire producing interval in the unit area.

This application has been set for hearing before a Division Examiner on April 2, 1992. You are not required to attend this hearing, but as an interest owner in the unit area, you may appear and present testimony. Failure to appear at that time or otherwise become a party of record will preclude you from challenging this application at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO INC.

WFC:mlh
Enclosure

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent the card from being returned to you. The return receipt fee will provide you the name of the person who signed for and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. **2.** Restricted Delivery (Extra charge)

3. Article Addressed to: Joel H. Davis 1015 Ten Mile Road Everson, Washington 98247		4. Article Number P 106 677 369	
5. Signature - Address <i>Joel H. Davis</i>		Type of Service: <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Express Mail, <input type="checkbox"/> Insured <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> COD	
6. Signature - Agent X		Always obtain signature of addressee or agent and DATE DELIVERED.	
7. Date of Delivery 3-14-92 <i>MC</i>		8. Addressee's Address (ONLY if requested and fee paid)	

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 **DOMESTIC RETURN RECEIPT**

P-106 677 369

Joel H. Davis
 1015 Ten Mile Road
 Everson, Washington 98247

Registered Fee Special Delivery Fee Restricted Delivery Fee Return Receipt for Merchandise Fee Return Receipt for Signature Confirmation Fee Return Receipt for Signature Confirmation and Address Confirmation Fee Return Receipt for Signature Confirmation and Restricted Delivery Fee	Paid Paid Paid Paid Paid Paid
For Mark or Date <p style="text-align: center; font-size: 24px;">MAR 11 1992</p>	

5861 aumr 0800 PS Form 3811

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

March 11, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Kenneth G. Cone
Post Office Box 11310
Midland, Texas 79702

Re: Application of Texaco Inc. for Amendment of Division Order No. R-3007,
Lea County, New Mexico

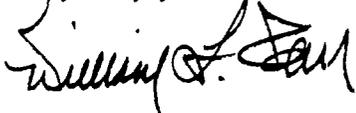
Dear Mr. Cone:

This letter is to advise you that Texaco Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking Amendment of Division Order No. R-3007 which approved the West Vacuum Unit, Lea County, New Mexico. The amendment corrects the definition of "unitized formation" to include the entire producing interval in the unit area.

This application has been set for hearing before a Division Examiner on April 2, 1992. You are not required to attend this hearing, but as an interest owner in the unit area, you may appear and present testimony. Failure to appear at that time or otherwise become a party of record will preclude you from challenging this application at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO INC.
WFC:mlh
Enclosure

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

March 11, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John A. Davis
2270 Santiago Rd.
Santa Barbara, CA 93103

Re: Application of Texaco Inc. for Amendment of Division Order No. R-3007,
Lea County, New Mexico

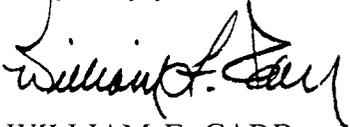
Dear Mr. Davis:

This letter is to advise you that Texaco Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking Amendment of Division Order No. R-3007 which approved the West Vacuum Unit, Lea County, New Mexico. The amendment corrects the definition of "unitized formation" to include the entire producing interval in the unit area.

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Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO INC.
WFC:mlh
Enclosure

CAMPBELL, CARR, BERGCE
 & SHERIDAN, P.A.
 LAWYERS

POST OFFICE BOX 2208
 SANTA FE, NEW MEXICO 87504-2208

APR 3 1992

Return to

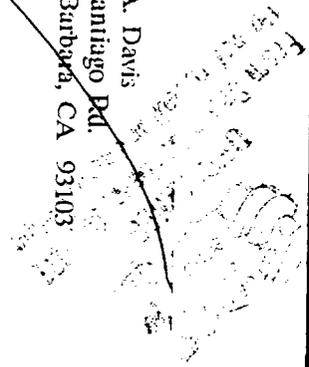
P-106 677 371

RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

John A. Davis
 2270 Santiago Rd.
 Santa Barbara, CA 93103



John A. Davis
 2270 Santiago Rd.
 Santa Barbara, CA 93103



Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	
MAR 11 1992	

PS Form 3800, June 1985



MAR 18 1992
 328



CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE (505) 988-4421
TELECOPIER (505) 983-6043

March 11, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Janet Anne Lupia
247 Southwest Parkway, #312
Lewisville, TX 75067

Re: Application of Texaco Inc. for Amendment of Division Order No. R-3007,
Lea County, New Mexico

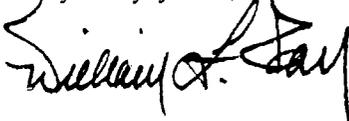
Dear Ms Lupia:

This letter is to advise you that Texaco Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking Amendment of Division Order No. R-3007 which approved the West Vacuum Unit, Lea County, New Mexico. The amendment corrects the definition of "unitized formation" to include the entire producing interval in the unit area.

This application has been set for hearing before a Division Examiner on April 2, 1992. You are not required to attend this hearing, but as an interest owner in the unit area, you may appear and present testimony. Failure to appear at that time or otherwise become a party of record will preclude you from challenging this application at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO INC.

WFC:mlh

Enclosure

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
 Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent the card from being returned to you. The return receipt fee will provide you the name of the person delivering and the date of delivery. For additional fees the following services are available. Consult postmaster for rates and check boxes for additional services requested.
 1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery (Extra charge)

3. Article Addressed to:
 Janet Anne Lupia
 247 Southwest Parkway, #312
 Lewisville, TX 75067

4. Article Number
 P 106 677 372

Type of Services:
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise
 Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address
 X *Janet Anne Lupia*
 6. Signature - Agent
 X
 7. Date of Delivery
 X 1992

8. Addressee's Address (ONLY if requested and fee paid)
 JANET ANNE LUPIA
 247 SW PARKWAY #312
 LEWISVILLE, TX 75067

PS Form 3811, Mar. 1988 + U.S.G.P.S. 1988-212-865 DOMESTIC RETURN RECEIPT

P-106 677 372

Janet Anne Lupia
 247 Southwest Parkway, #312
 Lewisville, TX 75067

Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing by whom and Date Delivered	
Return Receipt showing to whom Date and Address of Delivery	
POSTAGE and Fees	
Postmark or Date	MAR 11 1992

PS Form 3800 June 1985

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-442
TELECOPIER (505) 983-6043

March 11, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Georgia Lorraine Temple
Post Office Box 11392
Midland, Texas 79702

Re: Application of Texaco Inc. for Amendment of Division Order No. R-3007,
Lea County, New Mexico

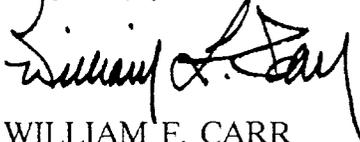
Dear Ms Temple:

This letter is to advise you that Texaco Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking Amendment of Division Order No. R-3007 which approved the West Vacuum Unit, Lea County, New Mexico. The amendment corrects the definition of "unitized formation" to include the entire producing interval in the unit area.

This application has been set for hearing before a Division Examiner on April 2, 1992. You are not required to attend this hearing, but as an interest owner in the unit area, you may appear and present testimony. Failure to appear at that time or otherwise become a party of record will preclude you from challenging this application at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO INC.

WFC:mlh
Enclosure

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
 Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent the card from being returned to you. The return receipt fee will provide you the name of the person delivering the card and the date of delivery. For additional fees the following services are available. Consult postmaster for rates and check boxes for additional service(s) requested.
 1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery (Extra charge)

3. Article Addressed to:

Georgia Lorraine Temple
 Post Office Box 11392
 Midland, Texas 79702

4. Article Number

P 106 677 373

Type of Service:

- Registered
- Certified
- Express Mail
- Insured
- COD
- Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

8. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Agent

Georgia Lorraine Temple

6. Signature - Agent

7. Date of Delivery

3-17-92

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865

DOMESTIC RETURN RECEIPT

P-106 677 373

U.S. AIR MAIL

Georgia Lorraine Temple
 Post Office Box 11392
 Midland, Texas 79702

Postage Fee	
Special Delivery Fee	
Registered Mail Fee	
Return Receipt Fee	
Insured Mail Fee	
Postmark or Date	MAR 11 1992

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

March 11, 1992

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

New Mexico State Land Office
State Land Office Building
Post Office Box 1148
Santa Fe, New Mexico 87504
Attn: Floyd Prando

Re: Application of Texaco Inc. for Amendment of Division Order No. R-3007,
Lea County, New Mexico

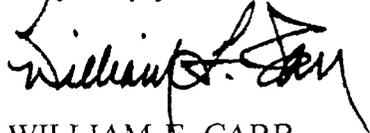
Gentlemen:

This letter is to advise you that Texaco Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking Amendment of Division Order No. R-3007 which approved the West Vacuum Unit, Lea County, New Mexico. The amendment corrects the definition of "unitized formation" to include the entire producing interval in the unit area.

This application has been set for hearing before a Division Examiner on April 2, 1992. You are not required to attend this hearing, but as an interest owner in the unit area, you may appear and present testimony. Failure to appear at that time or otherwise become a party of record will preclude you from challenging this application at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Prehearing Statement substantially in the form prescribed by the Division. Prehearing statements should be filed by 4:00 o'clock p.m. on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO INC.
WFC:mlh
Enclosure

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional services requested.

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery (Extra charge)

3. Article Addressed to:
 New Mexico State Land Office
 State Land Office Building
 Post Office Box 1148
 Santa Fe, New Mexico 87504
 Attn: Floyd Prado

4. Article Number
 P 106 677 374

Type of Service:
 Registered
 Certified
 Express Mail
 Insured
 COD
 Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Addressee's Address (ONLY if requested and fee paid)

5. Signature - Address
 X *Floyd Prado*

6. Signature - Agent
 X

7. Date of Delivery
 X

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

P-106 677 374

RECEIPT FOR RECEIVED MAIL
 RECEIVED BY
 DATE
 BY
 New Mexico State Land Office
 State Land Office Building
 Post Office Box 1148
 Santa Fe, New Mexico 87504
 Attn: Floyd Prado

Certified Fee	
Special Delivery Fee	
Registered Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	MAR 11 1992



JIM BACA
COMMISSIONER

State of New Mexico
OFFICE OF THE
Commissioner of Public Lands
Santa Fe

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

April 6, 1992

Campbell, Carr, Berge & Sheridan, P. A.
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Attn: Mr. William F. Carr

Re: Application of Texaco Inc. for Amendment of Division Order No.
R-3007, West Vacuum Unit, Lea County, New Mexico

Dear Mr. Carr:

This office is in receipt of your certified letter of March 11, 1992, advising this office that Texaco, Inc. has filed an application with the NMOCD to amend the unitized formation as approved in the West Vacuum Unit Agreement, Lea County, New Mexico.

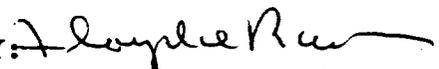
Since you will be expanding the originally approved unitized area, you must submit for our approval an application to expand the unit pursuant to Section 4 of the agreement. You will also need to amend Section 2 (j) of the West Vacuum Unit Agreement.

Pursuant to Section 4.2 of the West Vacuum Unit Agreement, the effective date of any enlargement of the Unit Area shall be 7:00 a.m. on the first day of the calendar month following compliance with conditions for enlargement as specified by Working Interest Owners, approval by the Commissioner and the Commission, and the filing for record of revised Exhibits "A" and "B" in the records of Lea County, NM.

Enclosed, for your information, is a copy of the West Vacuum Unit Agreement. If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
encls.

cc: Reader File
OCD

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 3344

IN THE MATTER OF THE APPLICATION
OF TEXACO EXPLORATION & PRODUCTION,
INC., FOR AMENDMENT OF DIVISION
ORDER NO. R-3007,
LEA COUNTY, NEW MEXICO.

RECEIVED

OIL CONSERVATION DIVISION

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by William F. Carr, as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Texaco Exploration & Production, Inc.
c/o Nanette J. Crawford _____
Post Office Box 2100. _____
Denver, Colorado 80201 _____
(303) 793-4317 _____

ATTORNEY

William F. Carr _____
Campbell, Carr, Berge & Sheridan, P.A.
Post Office Box 2208 _____
Santa Fe, New Mexico 87504 _____
(505) 988-4421 _____

OPPOSITION OR OTHER PARTY

Telephone:

ATTORNEY

Telephone:

name, address, phone and
contact person

STATEMENT OF CASE

APPLICANT

Texaco Exploration & Production, Inc., applicant in the above-styled cause, seeks to amend Division Order No. R-3007, dated December 3, 1965, which authorized its West Vacuum Unit Agreement covering 2000 acres, more or less, of state lands in portions of Townships 17 and 18 South, Range 34 East. Applicant at this time seeks to revise the definition of the "Unitized Formation" as originally incorporated in said agreement.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

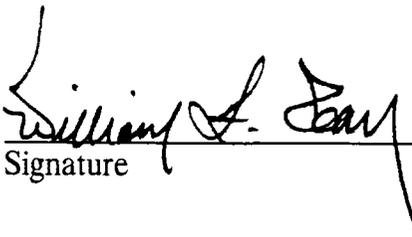
APPLICANT

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Ronald W. Lanning, Landman	10 Min.	Approximately 4
Julie Gibbs, Geologist	10 Min.	Approximately 4

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
-----------------------------------	-----------	----------

PROCEDURAL MATTERS



Signature



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

RECEIVED
OIL CONSERVATION DIVISION
DEC 9 1991

BRUCE KING
GOVERNOR

December 5, 1991

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

Texaco Exploration & Production Inc.
P.O. Drawer 2100
Denver, CO 80201

*Case File
3344*

Attn: Mr. Ronald W. Lanning
West Region Landman

Re: West Vacuum Unit

Gentlemen:

Your November 27th letter requesting my opinion as to the course of action you should follow in order to obtain approval of your proposed amendment to the unitized interval for the West Vacuum Unit has been received.

In reference to the 23 wells which were contributed to the unit and were completed outside the defined unitized formations, it is assumed these were grandfathered in at that time since the order did not require that any of these wells be squeezed.

Our geologist feels your proposed unitized interval 4007--4774 feet in the Texaco Exploration & Production Inc. West Vacuum Unit #13 would be some 200--300 feet into the Queen. If this is the case, the only option available would be through a hearing.

Since this type decision is outside our jurisdiction, we are referring this to our Santa Fe office. If you have further questions concerning this please contact David Catanach or Michael E. Stogner in our Santa Fe office (505) 827-5807 or (505) 827-5811.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

JS/ed

cc: David Catanach
Michael E. Stogner





Texaco USA

418 11 2001
De 11 11 2001
418 11 2001
De 11 11 2001

November 27, 1991

230410 - West Vacuum Unit (TPI)

Lea County, New Mexico

Oil Conservation Division
P.O. Box 1980
Hobbs, New Mexico 88240

Attention: Mr. Jerry Sexton

Gentlemen:

Texaco is desirous of amending the definition of the unitized formation for this unit. A copy of the amendment is enclosed for your information. When the unit went into effect, 23 of the wells contributed were completed outside of the unitized formation as defined in the Unit Agreement. The reason for this is due in part to the difficulty in correlating the San Andres formation between logs. We feel a corrected definition will better serve as a basis for guiding future operation of the unit to obtain maximum recovery.

There are 68 working interest owners in this unit. To date we have received executed amendments from 58 owners with a cumulative working interest of 98.815059%.

The State of New Mexico owns all of the mineral interest under the unit. There are three overriding royalty interest owners who have not been contacted.

Please advise as to your opinion on the course of action we should follow for approval of this amendment. If you have any questions please call me at (303) 793-4244.

Very truly yours,

TEXACO EXPLORATION AND PRODUCTION INC.

Ronald W. Lanning
West Region Landman

RWL

Enclosure

**AMENDMENT TO THE UNIT AGREEMENT
FOR THE
WEST VACUUM UNIT AREA
COUNTY OF LEA
STATE OF NEW MEXICO**

THIS AGREEMENT is entered into as of the first day of March, 1991, by and between the parties subscribing, ratifying, or consenting hereto, and herein referred to as the "parties hereto,"

WITNESSETH:

WHEREAS, the parties hereto are the owners of working, royalty, or other oil and gas interests in the Unit Area subject to this agreement; and

WHEREAS, the Unit Agreement for the West Vacuum Unit Area is dated October 1, 1964, and is recorded at Volume 250, Page 234 of the Miscellaneous Records of Lea County, New Mexico, and became effective January 1, 1966; and

WHEREAS, the Unit Agreement defines the unitized formation as follows:

"Unitized Formation" means that subsurface portion of the Unit Area including portions of the Grayburg-San Andres formations which occur between the logged depths, measured from the Kelly bushing, of 4213 feet and 4750 feet in the Texaco Inc. State of New Mexico "V" Well No. 8 as shown on the Schlumberger Gamma-Neutron log of said well which is located 660 feet from the north line and 660 feet from the west line of Section 34, Township-17-South, Range-34-East, Lea County, New Mexico.

WHEREAS, it is the purpose of the parties hereto to change the definition of the unitized formation to more accurately reflect the unitized interval and serve as a basis for guiding future operation of the unit to obtain maximum recovery.

NOW THEREFORE, in consideration of the premises and the promises contained herein, the parties hereto amend the Unit Agreement for the West Vacuum Unit Area by changing the definition of the unitized formation to read as follows:

"Unitized Formation" means that subsurface portion of the unit area including portions of the Grayburg-San Andres formations which occur between the logged depths, measured from the derrick floor, of 4004 feet and 4774 feet in the Texaco

Exploration and Production Inc. West Vaccum Unit Well No. 13 as shown on the Halliburton Gamma Ray - Dual Spaced Neutron log of said well which is located 330 feet from the north line and 660 feet from the east line of Section 34, Township-17-South, Range-34-East, Lea County, New Mexico.

*300 feet in
in to OU*

A person may become a party to this agreement by signing the original of this instrument, a counterpart thereof, or other instrument agreeing to be bound by the provisions hereof. The signing of any such instrument shall have the same effect as if all the parties hereto had signed the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed as of the date first above written.

TEXACO EXPLORATION AND PRODUCTION INC.

R.R. O'Dwyer

R. R. O'Dwyer
Attorney-in-Fact

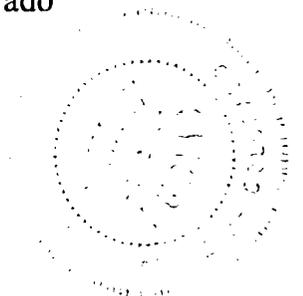
STATE OF COLORADO §
COUNTY OF DENVER §

The foregoing instrument was acknowledged before me this 26th day of March, 1991, by R. R. O'Dwyer, Attorney-in-Fact of Texaco Exploration and Production Inc., a Delaware corporation, on behalf of the corporation.

Charlie Will

Notary Public in and for the State of Colorado

Charlie Will
2844 S. Vaughn Way
Aurora, Colorado 80014
My Commission expires October 25, 1993





State of New Mexico
Commissioner of Public Lands

#3344

W. R. Humphries
COMMISSIONER April 27, 1990

Advisory Board

George Clark
Chairman

Kristin Conniff
Vice Chairman

Melvin Cordova

Joe Kelly

Robert Portillos

Nancy Lynch Vigil

Rex Wilson

Texaco USA
P.O. Box 3109
Midland, Texas 79702

ATTN: S.G. Snyder

RE: West Vacuum Unit
1990 Plan of Development

Gentlemen:

The Commissioner of Public Lands has this date approved the 1990 Plan of Development for the West Vacuum Unit. Our approval is subject to like approval by all other appropriate agencies.

The possibility of drainage by wells outside of the Unit Area and the need for further development of the Unit may exist. You will be contacted at a later date regarding these possibilities.

Enclosed is an approved copy of the 1990 Plan of Development for your files. If we may be of further help, please do not hesitate to contact this office at (505) 827-5746.

Very truly yours,

W.R. HUMPHRIES,
COMMISSIONER OF PUBLIC LANDS

BY:

FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5746

cc: OCD - Santa Fe, New Mexico
BLM
Unit Correspondence File
Unit P.O.D. File

WRH/FOP/SMH

P.O. Box 1148 Santa Fe, NM 87504-1148 (505) 827-5760



THE STATE OF NEW MEXICO
DEPARTMENT OF LANDS AND MINES

1000 W. WASHINGTON
SANTA FE, N.M. 87501

#3344

March 28, 1990

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Commissioner of Public Lands
State of New Mexico
Oil and Gas Division
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

RE: **WEST VACUUM UNIT**
PLANS OF DEVELOPMENT
LEA COUNTY, NEW MEXICO

Gentlemen:

Texaco, as Operator the West Vacuum Unit, respectfully submits for your approval a report of past operations and a plan of operation and development for 1990.

PAST OPERATIONS

Vacuum Field was discovered in May, 1929 when Vacuum Oil (Mobil Oil Company) completed the New Mexico "Bridges" State Well No. 1 for 119 BOPD. This well was shut-in until pipeline facilities became available in 1937.

Thirty-seven wells in the West Vacuum Unit area were drilled on 40-acre spacing during initial field development from 1937 to 1950. In 1975-1976 three 20-acre infill wells, WVU Nos. 51, 52, and 53, were drilled to evaluate infill drilling potential of the unit. Based on the performance of these wells, there has been no additional infill drilling.

The unitization agreement for the West Vacuum Unit became effective on October 1, 1966, and water injection began October 1, 1967.

Cumulative oil production for the West Vacuum Unit prior to unitization was 8,104,806 barrels. From the inception of unitization through January 1, 1990, the Unit has produced 3,932,249 BO and 18,229,477 BW have been injected.

New Mexico Oil Conservation
Division, Commissioner of
Public Lands

- 2 -

March 28, 1990

There are currently 26 active producing wells and 20 injection wells in the West Vacuum Unit. Average production for December, 1989 was 281 BOPD, 76 MCFPD, and 2,253 BWPD. The average injection rate was 2,506 BWPD with a maximum injection pressure of 1151 psi.

1989 UNIT ACTIVITIES:

In 1989, three producing wells (WVU Nos. 10, 17, 26) in the West Vacuum Unit were shut-in and are uneconomical to repair at this time. Additional activity included workovers on WVU Nos. 37 and 13.

DEVELOPMENT PLANS FOR 1990:

Texaco has no plans for development drilling in the West Vacuum Unit in 1990. Operations within the unit for 1990 will include continuous monitoring and optimization of unit production through the use of injection surveys, stimulations, and cleanouts. Equipment modifications, well workovers, and plugging will be performed as necessary.

Yours very truly,

Texaco Inc.


S. G. Snyder
Portfolio Manager

JFG/srt

file
chrono

TEXACO PRODUCING INC.

MIDLAND DIVISION

HOBBS DISTRICT

MONTH ENDING 01-01-90

FILED NAME / LEASE NO.

LEASE NO. / FRS NO.

WELL NO. / WELL STATUS

COMMENTS / CONDITION

SEQUENCE NUMBER / APT NUMBER

(2) JOINTLY OWNED AND OPERATED BY TEXACO

322 NEW MEXICO AB STATE TN 9 ASD NO REASON GIVEN N/A 22119500
 333000061042322 22119500
 TEXACO WI = 50.0000000 22119500

315 NEW MEXICO DK STATE COM 1 NG-CN 22119600
 333000061020315 22119600
 TEXACO WI = 56.4335400 22119600

118 NEW MEXICO R STATE 24 ASD NO FURTHER 12-24-87 22119700
 NCT-3 'TN' 22119700
 333000061020118 22119700
 TEXACO WI = 50.0000000 EXPLORATION POTENTIAL. 22119700

323 NEW MEXICO & STATE TN COM 1 TR-O 08-08-89 22119800
 333000061020323 22119800
 TEXACO WI = 50.0000000 22119800

310 TEXACO MOBIL STATE COMM 1 PM TRIPLE-PENN 22119900
 333000061020310 22119900
 TEXACO WI = 50.0000000 22119900

309 TEXACO-SHELL STATE COMM 1 ASD *TRIPLE-ABO 22120200
 333000061020309 HELD FOR SPARE CASING 22120200
 TEXACO WI = 50.0000000 22120200

309 TEXACO-SHELL STATE COMM 1 ASD *TRIPLE-ABO 22120200
 333000061020309 HELD FOR SPARE CASING 22120200
 TEXACO WI = 50.0000000 22120200

312 WEST VACUUM UNIT 1 PM WOF CAMP 22120300
 333000061020312 *COMP-PENN 22120400

312 WEST VACUUM UNIT 1 PM 22120500
 333000061020312 22120500

SUB-AREA -6102 BUCKEYE- BUCKEYE SUB-AREA

2008

TEXACO PRODUCING INC.

MIDLAND DIVISION

HOBBS DISTRICT

MONTH ENDING 01-01-90

FIELD NAME/ LEASE NAME/ WELL NO. WELL STATUS COMMENTS (CONDITION)
 LEASE NO. FRS NO.
 (2) JOINTLY OWNED AND OPERATED BY TEXACO

TEXACO WI # 62.1022600

WELL NO.	WELL STATUS	COMMENTS	(CONDITION)	SEQUENCE NUMBER	API NUMBER
3	PM			22120500	3002502138
4	INJ			22120600	3002502136
5	INJ			22120700	3002502137
7	INJ			22120800	3002502183
8	PM			22120900	3002502181
9	INJ			22121000	3002502188
10	SI-O	UNEC. TO REPAIR	01-02-89	22121100	3002599040
11	INJ			22121200	3002502205
12	PM			22121300	3002502198
13	PM			22121400	3002502198
14	PM			22121500	3002502200
15	PM			22121600	3002502182
16	INJ			22121700	3002502184
17	SI-O	UNEC. TO REPAIR	01-02-89	22121800	3002502185
18	INJ			22121900	3002502186
19	PM			22122000	3002502211
20	INJ			22122100	3002502211
21	PM			22122200	3002502207
23	INJ			22122300	3002502199
24	PM			22122400	3002502199
25	INJ			22122500	3002502203
				22122600	3002502192
				22122700	3002599041
				22122800	3002502189

TEXACO PRODUCING INC.

MIDLAND DIVISION

HOBBS DISTRICT

MONTH ENDING 01-01-90

FIELD NAME/ LEASE NO.	LEASE NAME/ FRS NO.	WELL NO.	WELL STATUS	COMMENTS	CONDITION	SEQUENCE NUMBER	API NUMBER
(2) JOINTLY OWNED AND OPERATED BY TEXACO							
26		SI-0	SI-0	UNEC. TO REPAIR	01-02-89	22122700	3002502204
27		INU	INU			22122800	3002502206
28		PM	PM			22122900	3002502202
29		PM	PM			22123000	3002502201
30		INU	INU			22123100	3002502195
31		PM	PM			22123200	3002502194
32		INU	INU			22123300	3002502196
33		SI-0	SI-0		07-16-86	22123400	3002502190
34		INU	INU			22123500	3002502210
35		PM	PM			22123600	3002502208
36		INU	INU			22123700	3002502204
37		PM	PM			22123800	3002502197
38		PM	PM			22123900	3002502292
39		SI-0	SI-0	UNECON. TO PRD	03-24-86	22124000	3002502288
40		INU	INU			22124100	3002502290
41		PM	PM			22124200	3002502291
42		INU	INU			22124300	3002502289
43		PM	PM			22124400	3002502278
44		INU	INU			22124500	3002502286
45		PM	PM			22124600	3002502283
46		PM	PM			22124700	3002502282
47		PM	PM			22124800	3002502279

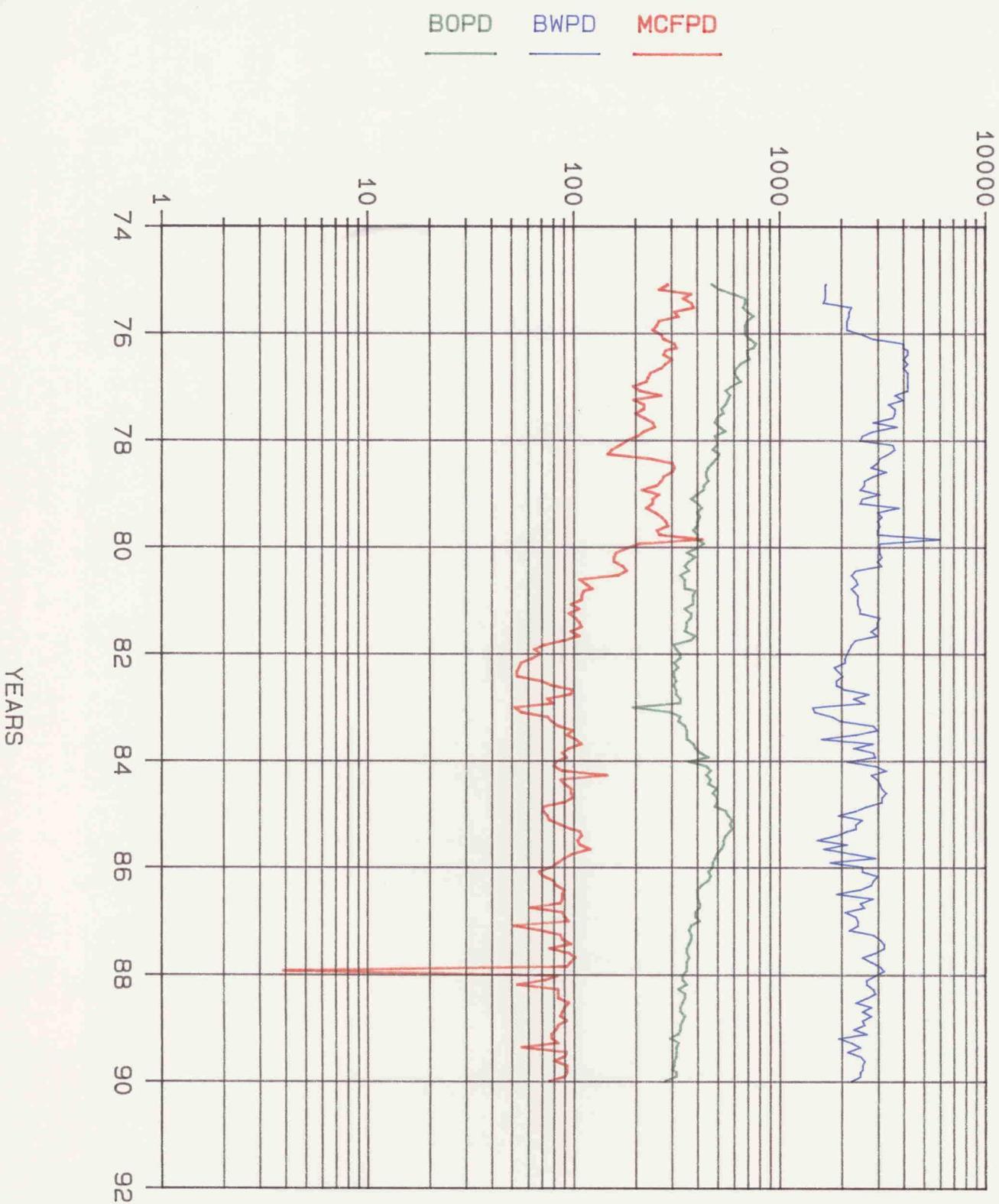
TEXACO PRODUCING INC.

HOBBS DISTRICT

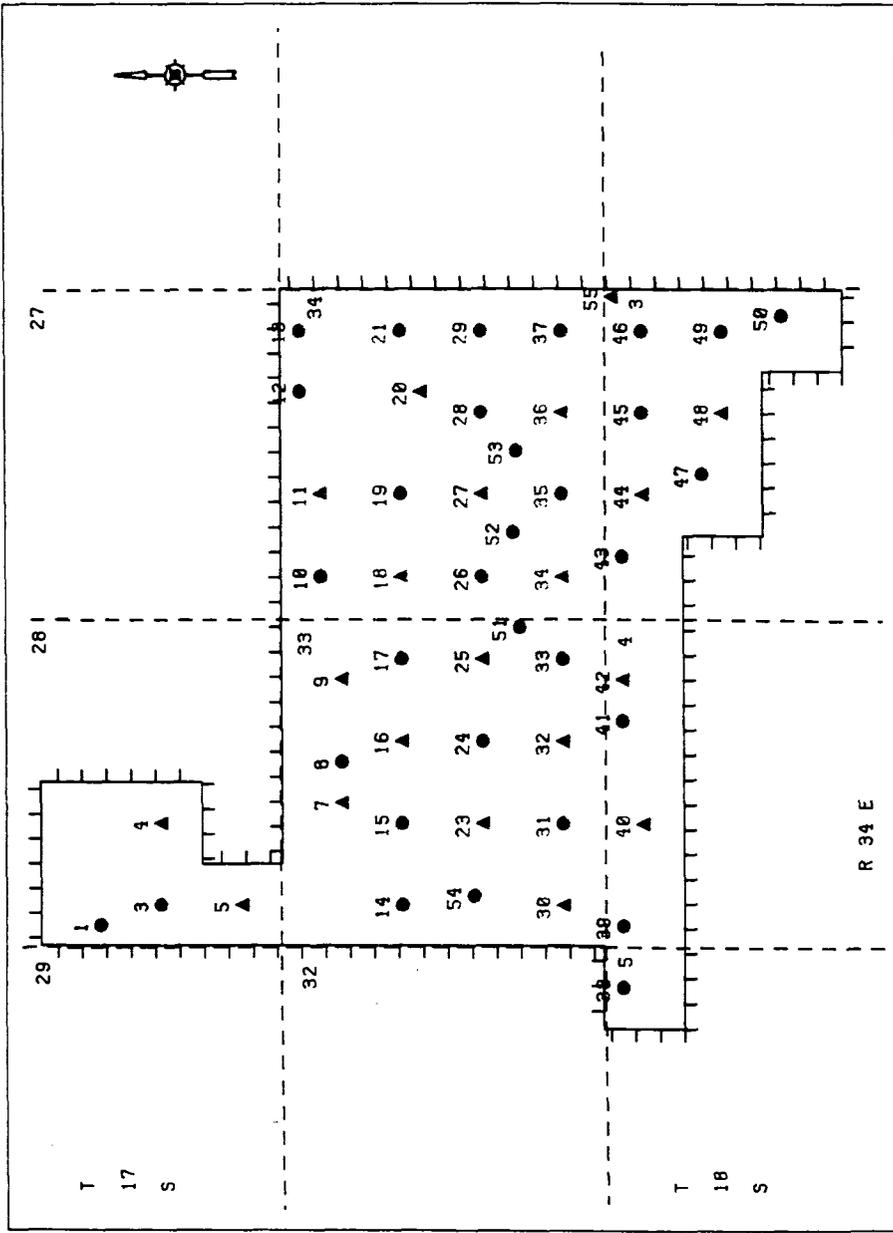
MONTH ENDING 01-01-90

MIDLAND DIVISION	FIELD NAME / LEASE NO.	LEASE NAME / FRS NO.	WELL NO.	WELL STATUS	COMMENTS	CONDITION	SEQUENCE NUMBER	API NUMBER
	(2) JOINTLY OWNED AND OPERATED BY TEXACO							
	48		INJ				22124900	3002502284
	49		PM				22125000	3002502285
	50		PM				22125100	3002502280
	51		SI-O		UNECON. TO PROD	10-31-86	22125200	3002525085
	52		PM				22125300	3002525086
	53		PM				22125400	3002525087
	54		PM				22125500	3002527133
	55		INJ		*COUNTED ON VAC. COOP. INJ. SYSTEM #55.		22125600	3002528116
	1WS		WS				22125700	3002599006

WEST VACUUM UNIT



LEASE DATA
 LSE 858150
 FLD 59800
 OPER
 ZONE 432
 --
 COUNTY 025
 STATE 30
 STATUS
 CO 12037 MBO
 CG 8072 MMCF
 BOPD 281
 BWPD 2253
 MCFPD 76
 WELLS 46



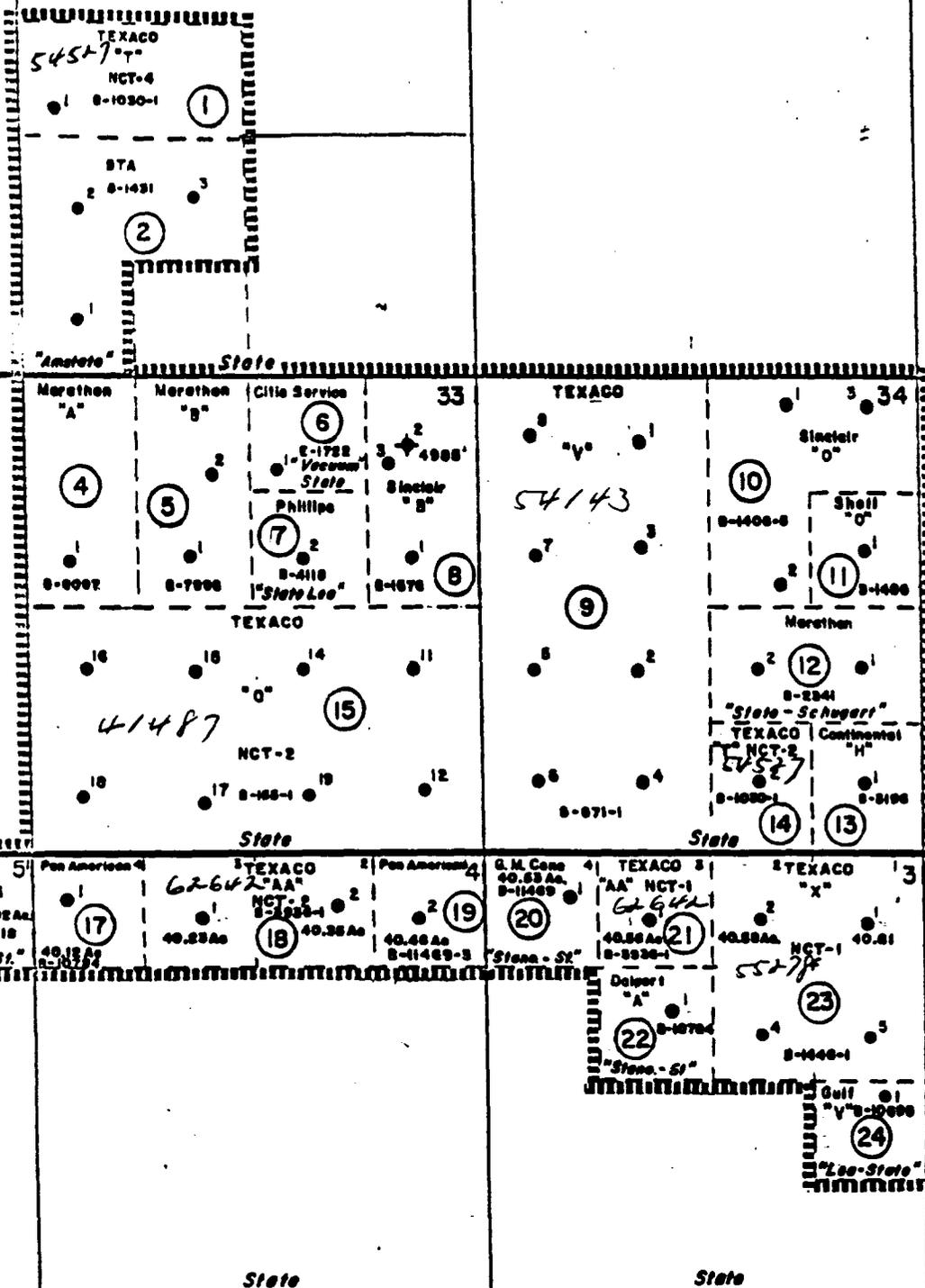
LEGEND:

- PRODUCING WELL
- ▲ INJECTION WELL
- UNIT BOUNDARY

STATE	TEXAS	U.S.P.
TEXACO TEXAS U.S.P.		
VACUUM GRAYBURG SAN ANDRES FIELD LER COUNTY, NEW MEXICO WEST VACUUM UNIT		
SHEET NO. 10 OF 10		

EXHIBIT "B"
SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF ALL LANDS IN THE
WEST VACUUM UNIT AREA, LEA COUNTY, NEW MEXICO

Tract No.	Description of Land	No. of Acres	Serial No. and Expiration Date of Lease	Lessee of Record	Overriding Royalty or Production Payment and Percentage	Working Interest and Percentage	Percentage Unit Participation		
							Phase I	Phase II	
1	S/2 NW/4 Sec. 28, T-17S R-34E	80	B-1030-1 HBP	Texaco	0	Texaco	100.00000	1.01876	0.34397
2	N/2 SW/4 & SW/4SW/4 Sec. 28, T17S, R34E	120	B-1431 HBP	BTA Oil	Amerada	Carlton Beal A.K. Trobaugh M.I. Schwartz H.I. Schwartz H.D. Goldman M.D. Goldman Ernst Wolff G.N. Frank B.E. Alpern Jack Weinstein Herbert Winter G. P. Palma E.J. Horton F. T. Joyce Isaac Gordon H. H. Black R. B. Gordon R.A. Gordon W. S. Nevin E. H. Palma Winter, Wolff & Co	24.9650 24.9650 0.8000 0.8000 0.8000 0.8000 12.0000 4.0000 4.8000 3.2000 3.2000 1.6000 1.6000 1.6000 8.0000 1.6000 1.6000 1.6000 1.6000 0.7200 0.6000 0.7500	0.99909 0.99909 0.03202 0.03202 0.03202 0.03202 0.48024 0.16008 0.19210 0.12806 0.12806 0.06403 0.06403 0.06403 0.32016 0.06403 0.06403 0.06403 0.02881 0.02401 0.03002 4.00198	0.36400 0.36400 0.01166 0.01166 0.01166 0.01166 0.17496 0.05832 0.06999 0.04666 0.04666 0.02333 0.02333 0.02333 0.11664 0.02333 0.02333 0.02333 0.01050 0.00875 0.01094 1.45804
4	W/2 NW/4 Sec. 33, T17S, R-34E	80	B-8097 HBP	Marathon	0	Marathon	100.00000	1.65112	2.04149
					<u>6.2500</u>				



R 34 E

LEGEND

- UNIT BOUNDRY
- UNIT TRACT NUMBER

EXHIBIT A

TO
 UNIT AGREEMENT
 WEST VACUUM UNIT
 TOTAL - 2003.46 Ac.
 Lea County, New Mexico



Scale:

Drawn By: JWD

Date: 4-20-66

182-60
 126-73

Tract No.	Description of Land	No. of Acres	Serial No. and Expiration Date of Lease	Lessee of Record	Overriding Royalty or Production Payment and Percentage	Working Interest and Percentage	Percentage Unit Participation		
							Phase I	Phase II	
5	E/2 NW/4 Sec. 33, T17S, R34E	80	B-7998 HBP	Marathon	0	Marathon	100.0000	3.08956	4.64939
6	NW/4 NE/4 Sec. 33, T17S, R34E	40	E-1722 HBP	Cities Service Oil Company Continental	0	Cities Serv. Continental	75.0000 25.0000 100.0000	1.10440	1.27751 0.42584 1.70335
7	SW/4 NE/4 Sec. 33, T17S, R34E	40	B-4118 HBP	Phillips	0	Phillips	100.0000	1.32642	1.64978
8	E/2 NE/4 Sec. 33, T17S, R34E	80	B-1576 HBP	Sinclair	0	Sinclair	100.0000	1.67953	2.58441
9	W/2 Sec. 34 T17S, R34E	320	B-871-1 HBP	Texaco	0	Texaco	100.0000	25.65245	25.34241
10	N/2NE/4&SW/4 NE/4, Sec. 34, T17S, R34E	120	B-1406-5 HBP	Sinclair	12.5000	Sinclair	100.0000	2.92477	5.23158
11	SE/4 NE/4 Sec. 34, T17S, R34E	40	B-1406 HBP	Shell	0	Shell	100.0000	1.54640	2.34472
12	N/2 SE/4, Sec. 34, T17S, R34E	80	B-2341 HBP	Marathon	0	Marathon	100.0000	3.47353	6.73713
13	SE/4 SE/4, Sec. 34, T17S, R34E	40	B-3196 HBP	Continental	0	Continental	100.0000	5.83007	5.06367
14	SW/4 SE/4, Sec. 34, T17S, R34E	40	B-1030-1 HBP	Texaco	0	Texaco	100.0000	3.74546	4.30692

Tract No.	Description	No. of Acres	Serial No. and Expiration Date of Lease	Lessee of Record	Overriding Royalty or Production Payment and Percentage	Working Interest and Percentage	Percentage Unit Participation		
							Phase I	Phase II	
15	S/2 Sec. 33 T17S, R34E	320	B-155-1 HBP	Texaco	0	Texaco	100.0000	21.26245 18.27223	
16	NE/4 NE/4 Sec. 5, T18S, R34E	40.02	B-4118 HBP	Phillips	Phillip, 10.9375	Dalport Cactus Drilg. J.S. Hudnall Geo. W. Pirtle	42.1875 25,0000 16,40625 <u>16,40625</u> 100.0000	0.36404 0.21572 0.14157 <u>0.14157</u> 0.86290	0.26112 0.15474 0.10155 <u>0.10155</u> 0.61896
17	NW/4 NW/4 Sec. 4, T18S, R34E	40.12	B-10784 HBP	Pan Am	Jerry Curtis Martin Yates & Lillie M. Yates Pan American 3.1250 3.1250 <u>6,2500</u> 12.5000	Pan Am	100.0000	0.65834 0.56476	
18	NE/4 NW/4 and NW/4 NE/4 Sec. 4, T18S, R34E	80.58	B-3936-1 HBP	Texaco	0	Texaco	100.0000	1.64706	1.18461
19	NE/4 NE/4 Sec. 4, T18S, R34E	40.46	B-11469-3 HBP	Pan Am	Jerry Curtis Martin Yates & Lillie M. Yates Pan American 3.1250 3.1250 <u>6,2500</u> 12.5000	Pan Am	100.0000	0.99116	0.56414
20	NW/4 NW/4 Sec. 3, T18S, R34E	40.53	B-11469 HBP	Gordon M. Cone	Pan American 5.46875	G.M. Cone	100.0000	1.14540	0.88230
21	NE/4 NW/4 Sec. 3, T18S, R34E	40.56	B-3936-1 HBP	Texaco	0	Texaco	100.0000	1.06909	1.88677
22	SE/4 NW/4 Sec. 3, T18S, R34E	40	B-10784 HBP	Dalport	Pan American 10.9375	Dalport Oil G.W. Pirtle J.S. Hudnall W.L. Todd, Jr. W.L. Todd T.E. Todd	42.2916 8,8542 8,8542 17,5000 12,5000 <u>10,0000</u> 100.0000	0.42501 0.08898 0.08898 0.17587 0.12562 <u>0.10050</u> 1.00496	0.37734 0.07900 0.07900 0.15614 0.11153 <u>0.08923</u> 0.89224

Tract No.	Description of Land	No. of Acres	Serial No. and Expiration Date of Lease	Lessee of Record	Overriding Royalty or Production Payment and Percentage	Working Interest and Percentage	Percentage Unit Participation	
							Phase I	Phase II
23	NE/4 Sec.3 T18S,R34E	161.19	B-1446-1 HBP	Texasco	0	100.0000	12.57905	10.76535
24	NE/4SE/4, Sec.3,T18S, R34E	40	B-10695 HBP	Gulf	0	100.0000	1.36701	0.91178
						<u>100.0000</u>	<u>100.0000</u>	<u>100.00000</u>

~~2043.46~~
2003.46

51571

STATE OF NEW MEXICO
COUNTY OF LEA
FILED

OCT 25 1966



13:25 o'clock P
M
Record in Book 259
20
JAMES RICE, County Clerk
By James Rice Deputy

Note: Unit contains all State acreage with a base royalty of 12.5 per cent.

TEXACO
INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



FEB 7 AM 7 51
P. O. BOX 3109
MIDLAND, TEXAS 79704

February 3, 1966

UNIT AGREEMENT
WEST VACUUM UNIT
LEA COUNTY, NEW MEXICO

New Mexico Oil
Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Attn: Mr. A. L. Potter, Jr.

Gentlemen:

As required under Order No. R-3007, Texaco Inc. has attached hereto an executed copy of the Unit Agreement for the West Vacuum Unit, Lea County, New Mexico.

The unit was effective at 12:01 AM, January 1, 1966. Please advise if any additional information is required.

Yours very truly,

C. L. Whigham
Division Proration Engineer

JTJ:jl
Attach.

TEXACO INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



1965 OCT 28 11:13

P. O. BOX 3109
MIDLAND, TEXAS 79704

October 25, 1965

New Mexico
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Attn: Mr. A. L. Porter, Jr.

Gentlemen:

Texaco Inc. as the initial operator of the proposed West Vacuum Unit, Vacuum (Grayburg-San Andres) Pool, Lea County, New Mexico, respectfully requests that a hearing be scheduled to consider the application for (1) Approval of the West Vacuum Unit Agreement, (2) Approval to initiate waterflooding activities in the Vacuum (Grayburg-San Andres) Field, and (3) Approval to convert six wells to injection to form a normal five-spot pattern for waterflood operations. In support of our application, Texaco Inc. wishes to state the following facts.

(1) The proposed West Vacuum Unit is a portion of the Vacuum (Grayburg-San Andres) Pool, Lea County, New Mexico.

(2) Currently there are 48 wells in the proposed unit area producing from this reservoir in the average open hole interval from 4165' to 4708'.

(3) The area sought to be designated as the West Vacuum Unit comprises 2000 acres, more-or-less, situated in Lea County, New Mexico, which is more particularly described as follows:

Township 17 South, Range 37 East
New Mexico Principal Meridian

Section 28: S/2 NW/4, N/2 SW/4, SW/4 SW/4
Section 33: Entire Section
Section 34: Entire Section
Section 3 : NE/4, N/2 NW/4, SE/4 NW/4 and NE/4 SE/4
Section 4 : N/2 N/2
Section 5 : NE/4 NE/4

(4) The proposed pattern will be a normal five-spot and will consist of six injection wells.

DOCKET MAILED

Date 11-16-65

(5) The proposed wells to be converted to injection are as follows:

<u>Operator</u>	<u>Lease</u>	<u>Well No.</u>	<u>Location</u>
Mesa Retailers	State	2	A4-18-34
Sinclair Oil Co.	State "B"	3	✓ A33-17-34
Texaco Inc.	State "AA" (NCT-1)	1	C3-18-34
Texaco Inc.	State "O" (NCT-2)	11	I33-17-34
Texaco Inc.	State "v"	1	C34-17-34
Texaco Inc.	State "v"	2	K34-17-34

Attached is a plat of the West Vacuum Unit with the boundary of the unit shown by a hatched line. The proposed injection wells are shown by red triangles. It is respectfully requested that the subject application be set on the hearing docket scheduled for November 23, 1965.

Yours very truly,

C. L. Whigham

C. L. Whigham
Division Proration Engineer

JTJ:jl
Attach.

cc: State Engineer
P. O. Box 1079
Santa Fe, New Mexico

Page 3344

DESCRIPTION OF WATER SOURCE

TEXACO has appropriated water rights under 605.9 acres of Section 30, Township 17-South, Range 35-East, except five acres. This appropriation is for a combined total of 2100 acre feet per annum (44,633 BPD) of the shallow ground water of the Lea County Underground Water Basin by drilling four wells, each approximately 200 feet in depth and 13-3/8 inches in diameter, to be located as follows:

<u>Well No.</u>	<u>Subdivision</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>
L-4247	NW/4 NW/4	30	17-S	35-E
L-4247-X	SW/4 NW/4	30	17-S	35-E
L-4247-X-2	SW/4 SW/4	30	17-S	35-E
L-4247-X-3	NW/4 SW/4	30	17-S	35-E

said wells to be used for the secondary recovery of oil by waterflooding approximately 4240 acres in the Proposed West Vacuum Unit.

Under Permit No. L-4247X2 a water source well was drilled in the SW/4 SW/4 SW/4 of Section 30, Township 17-South, Range 35-East. Abbott Brothers, Hobbs, New Mexico, was the Drilling Contractor. Water-bearing strata were encountered from 83 to 115 feet and from 135 to 190 feet. Total depth is 200 feet and 11-3/4", 32# spiral welded casing with perforation from 100 to 200 feet was set at total depth. This well was completed August 28, 1963.

MAIN

'65 OCT 28 AM 6

Case 3344

SUMMARY OF RECOMMENDATIONS

It is recommended that TEXACO Inc. as Unit Operator of the West Vacuum Unit be permitted to operate a waterflood in the Vacuum (Grayburg-San Andres) Pool.

The proposed injection wells and locations are:

<u>Operator</u>	<u>Lease</u>	<u>Well No.</u>	<u>Location</u>
Mesa Retailers	State	2	A4-18-34
Sinclair Oil Co.	State "B"	3	A33-17-34
TEXACO Inc.	State "AA" (NCT-1)	1	C3-18-34
TEXACO Inc.	State "O" (NCT-2)	11	I33-17-34
TEXACO Inc.	State "v"	1	C34-17-34
TEXACO Inc.	State "v"	2	K34-17-34

These wells are denoted on the attached plat of the western portion of the Vacuum Field.

Fresh water from the Ogallala formation will be injected in the average open hole interval from 4165 feet to 4708 feet.

Attached is a radioactivity log plus a diagrammatic sketch of a typical injection well completion.

TEXACO INC.

PETROLEUM PRODUCTS



DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION

1965 OCT 28 AM 10:00
P. O. BOX 3109
MIDLAND, TEXAS

October 25, 1965

Page 3344

New Mexico
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Attn: Mr. A. L. Porter, Jr.

Gentlemen:

Texaco Inc. as the initial operator of the proposed West Vacuum Unit, Vacuum (Grayburg-San Andres) Pool, Lea County, New Mexico, respectfully requests that a hearing be scheduled to consider the application for (1) Approval of the west Vacuum Unit Agreement, (2) Approval to initiate waterflooding activities in the Vacuum (Grayburg-San Andres) Field, and (3) Approval to convert six wells to injection to form a normal five-spot pattern for waterflood operations. In support of our application, Texaco Inc. wishes to state the following facts.

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(2) Currently there are 48 wells in the proposed unit area producing from this reservoir in the average open hole interval from 4165' to 4708'.

(3) The area sought to be designated as the West Vacuum Unit comprises 2000 acres, more-or-less, situated in Lea County, New Mexico, which is more particularly described as follows:

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Section 34: Entire Section
Section 3 : NE/4, N/2 NW/4, SE/4 NW/4 and NE/4 SE/4
Section 4 : N/2 N/2
Section 5 : NE/4 NE/4

(4) The proposed pattern will be a normal five-spot and will consist of six injection wells.

(5) The proposed wells to be converted to injection are as follows:

<u>Operator</u>	<u>Lease</u>	<u>Well No.</u>	<u>Location</u>
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Texaco Inc.	State "AA" (NCT-1)	1	C3-18-34
Texaco Inc.	State "O" (NCT-2)	11	I33-17-34
Texaco Inc.	State "V"	1	C34-17-34
Texaco Inc.	State "V"	2	K34-17-34

Attached is a plat of the West Vacuum Unit with the boundary of the unit shown by a hatched line. The proposed injection wells are shown by red triangles. It is respectfully requested that the subject application be set on the hearing docket scheduled for November 23, 1965.

Yours very truly,

C. L. Whigham

C. L. Whigham
Division Proration Engineer

JTJ:jl
Attach.

cc: State Engineer
P. O. Box 1079
Santa Fe, New Mexico

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

MS 5/4/92
MS 5/4/92
WJL 5/5/92
CASE NO. 3344 (Reopened)
Order No. R-3007-A

APPLICATION OF TEXACO INC. FOR
AMENDMENT OF DIVISION ORDER NO.
R-3007, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on April 2^{*and*} 30, 1992, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this _____ day of May, 1992, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) By Order No. R-3007 issued in Case No. 3344 on December 3, 1965, the Division, upon application of Texaco Inc., approved the West Vacuum Unit Agreement comprising some 2,000 acres, more or less, of State lands in portions of Townships 17 and 18 South, Range 34 East, NMPM, Lea County, New Mexico, for the purpose of initiating and conducting secondary recovery operations.

(3) The applicant, Texaco Inc., seeks to amend the West Vacuum Unit Agreement and thereby Order No. R-3007, by revising the definition of the "Unitized Formation" as originally incorporated in said agreement.

(4) According to evidence presented, the original "Unitized Formation" comprised portions of the Grayburg-San Andres formation which occur between the log depths, measured from the kelly bushing, of 4,213 feet and 4,750 feet in the Texaco Inc. State "V"

Well No. 8 located 660 feet from the North and West lines (Unit D) of Section 34, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, as shown on the Schlumberger Gamma-Neutron Log run on said well.

(5) The applicant now proposes that the "Unitized Formation" comprise portions of the Queen, Grayburg and San Andres formations which occur between the log depths, measured from the derrick floor, of 4,004 feet and 4,774 feet in the Texaco Inc. West Vacuum Unit Well No. 13 located 330 feet from the North line and 660 feet from the East line (Unit A) of Section 34, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, as shown on the Gamma Ray-Neutron Log run on said well.

(6) According to applicant's evidence and testimony, the "Unitized Formation" was originally intended to include the entire interval as described in Finding No. (5) above; however, due to the difficulty in correlating the San Andres formation between logs and due to the thickening of the reservoir in the unit area, such intent was not originally implemented.

(7) According to further evidence, the revenue from production from the unit area has historically been distributed among the various interest owners as if the "Unitized Formation" comprised the entire interval as now proposed by the applicant.

(8) As of the date of the hearing, approximately 99.8% of the working interest owners in the West Vacuum Unit have approved the applicant's proposed expansion of the "Unitized Formation".

(9) No interest owner appeared at the hearing in opposition to the application.

(10) Approval of the proposed amendment will allow the applicant the opportunity to recover hydrocarbons which may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

(11) Pursuant to Part (4) of the West Vacuum Unit Agreement, the applicant is in the process of obtaining approval for the proposed amendment from the Commissioner of Public Lands for the State of New Mexico.

(12) Approval of the proposed expansion should become effective as per the terms of Part (4) of the West Vacuum Unit Agreement and upon approval of such expansion from the Commissioner of Public Lands for the State of New Mexico.

(13) The applicant should be required to file with the Division copies of the "Amendment to the Unit Agreement for the West Vacuum Unit Area" executed by the various working interest owners in said unit.

IT IS THEREFORE ORDERED THAT:

(1) The application of Texaco Inc. for an amendment to the West Vacuum Unit Agreement, originally approved by Division Order No. R-3007, to provide for expansion of the "Unitized Interval" is hereby granted.

(2) The "Unitized Interval" shall hereinafter comprise portions of the Queen, Grayburg and San Andres formations which occur between the log depths, measured from the derrick floor, of 4,004 feet and 4,774 feet in the Texaco Inc. West Vacuum Unit Well No. 13 located 330 feet from the North line and 660 feet from the East line (Unit A) of Section 34, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, as shown on the Gamma Ray-Neutron Log run on said well.

(3) The expansion of the "Unitized Interval" shall become effective as per the terms of Part (4) of the West Vacuum Unit Agreement and upon approval of such expansion from the Commissioner of Public Lands for the State of New Mexico.

(4) The applicant shall file with the Santa Fe Office of the Division copies of the "Amendment to the Unit Agreement for the West Vacuum Unit Area" executed by the various working interest owners in said unit.

(5) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L

#3344



State of New Mexico

OFFICE OF THE

Commissioner of Public Lands

Santa Fe

JIM BACA
COMMISSIONER

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

April 6, 1992

Campbell, Carr, Berge & Sheridan, P. A.
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Attn: Mr. William F. Carr

Re: Application of Texaco Inc. for Amendment of Division Order No.
R-3007, West Vacuum Unit, Lea County, New Mexico

Dear Mr. Carr:

This office is in receipt of your certified letter of March 11, 1992, advising this office that Texaco, Inc. has filed an application with the NMOCD to amend the unitized formation as approved in the West Vacuum Unit Agreement, Lea County, New Mexico.

Since you will be expanding the originally approved unitized area, you must submit for our approval an application to expand the unit pursuant to Section 4 of the agreement. You will also need to amend Section 2 (j) of the West Vacuum Unit Agreement.

Pursuant to Section 4.2 of the West Vacuum Unit Agreement, the effective date of any enlargement of the Unit Area shall be 7:00 a.m. on the first day of the calendar month following compliance with conditions for enlargement as specified by Working Interest Owners, approval by the Commissioner and the Commission, and the filing for record of revised Exhibits "A" and "B" in the records of Lea County, NM.

Enclosed, for your information, is a copy of the West Vacuum Unit Agreement. If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

JIM BACA
COMMISSIONER OF PUBLIC LANDS

BY: *Floyd O. Prando*
FLOYD O. PRANDO, Director
Oil/Gas and Minerals Division
(505) 827-5744
JB/FOP/pm
encls.
cc: Reader File
OCD