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March 2, 1999

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HAND DELIVERED

Mr. David R. Catanach
Hearing Examiner
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa FE, New Mexico 87505

Re: *Request for authorization to commence horizontal and injection in the Vacuum Glorieta West Unit Well No. 93, Vacuum Glorieta West Unit, Lea County, New Mexico*

Dear Mr. Catanach:

Texaco Exploration and Production seeks authorization to commence drilling and horizontal injection in its Vacuum Glorieta West Unit Well No. 93 (API No. 3002531810) located in Unit K of Section 36, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico. This well is an injection well in the Vacuum Glorieta West Unit Waterflood Project which was approved by Order No. R-9714 dated September 3, 1992.

In mid 1998, Texaco obtained from the Division temporary authority to conduct a six month injectivity test into two horizontal laterals in its Vacuum Glorieta West Unit Well No. 108. On February 4, 1999 in Case 12123, Texaco came before the Division and presented evidence in support of permanent authorization for horizontal injection in the Unit Well No. 108 and also sought an administrative procedure whereby additional wells can be used for horizontal injection in a "Horizontal Injection Project Area" located in the southern portion of the Vacuum Glorieta West Unit Waterflood Project. If The Division approves the Horizontal Injection Project Area requested in Case 12123, applications of this nature can be handled administratively pursuant to division Rules 111 and 710.

Mr. David R. Catanach

March 2, 1999

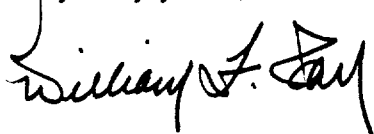
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No order has been entered in that case and the additional data needed by the Examiner to evaluate this application has only recently been provided to the Division. However, since a rig has become available to commence the conversion of the Vacuum Glorieta West Unit Well No. 83 to a horizontal injection well, Texaco requests authority to convert this well to a horizontal injection well and to commence injection therein if the well is ready for injection prior to the entry of an order in Case 12123.

Information on this well including a diagrammatic sketch of the wellbore and proposed path for the proposed lateral were presented at the February 4 Examiner hearing. *See* Texaco Exhibit No. 21.

If you need additional information from Texaco for your consideration of this request, please advise.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr". The signature is fluid and cursive, with a large initial "W" and a stylized "C".

WILLIAM F. CARR

Attorney for Texaco Exploration and Production Inc.