Producers of Oil and Gas

GRARIDGE CORPORATION:

MAIN OFFICE OCC

Oil Conservation Commission Capitol Building Santa Fe, New Mexico

Attention: Mr. A. L. Porter

Gentlemen:

Graridge Corporation would like to schedule a hearing with the Commission at the earliest possible date relative to the operation of its pilot waterflood in the Caprock (Queen Sand) Pool, Section 31-12-32, Lea County, New Mexico. Commission approval for this project was issued under order #R-972 on April 5, 1957.

Purpose of the requested hearing is the application for an order excepting the affected producing wells in the waterflood project from the provisions of Rule 502 of the New Mexico Oil Conservation Commission Rules and Regulations, thereby permitting operation of the affected producing wells at capacity rates to insure maximum recovery of the secondary oil from the project.

Application has already been submitted to the Oil Conservation Commission District Office in Hobbs, New Mexico, for top permissible unit-allowable for several of the wells in the subject project. Performance data indicates ultimate peak production capacities for these wells will greatly exceed the top field unitallowable.

Sincerely yours,

cc: Gulf Oil Corporation, Box 1290, Fort Worth, Texas Attention: Mr. Pat Reardon

Gulf Oil Corporation, Box 962, Roswell, New Mexico Attention: Mr. O. K. Gilbreth

Great Western Drilling Company, Box 1659, Midland, Texas Attention: Mr. Merril Wilson

Ambassador Oil Corporation, Box 9338, Fort Worth, Texas Attention: Mr. B. J. Kellenberger

Graridge Corporation, Box 1110, Graham, Texas

BRECKENRIDGE, TEXAS BOX 752

September 12, 1957

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