



PETROLEUM PRODUCTS

PRODUCING DEPARTMENT - UNITED STATES
MIDLAND DIVISION

TEXACO INC.
P. O. BOX 3109
MIDLAND, TEXAS 79701

NOV 6 1969
RECU November 5, 1969

**REQUEST FOR HEARING
PROPOSED STATE "JD" UNIT
WATERFLOOD PROJECT
RHODES YATES OIL POOL
LEA COUNTY, NEW MEXICO**

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

Case 4068

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

Gentlemen:

It is respectfully requested that a hearing be scheduled at Santa Fe, New Mexico, November 25, 1969 to consider the application of Texaco Inc., as proposed unit operator, for approval of the proposed State "JD" Unit and the Unit Agreement. The application will include a request for authority to conduct secondary recovery operations on the proposed unit by waterflooding.

The Unit Area will be comprised of the northwest quarter of Section 27, Township 26 South, Range 37 East, Lea County, New Mexico, containing a total of 160 acres. This area consists of Amerada Petroleum Corporation's 120-acre State "JA" Lease with three wells and Texaco Inc.'s 40-acre State "AD" Lease with one well. Amerada and Texaco are the only working interest owners and the State of New Mexico is the only royalty interest owner.

The four wells in the proposed unit produce from the Yates-Seven Rivers formation in the Rhodes Yates Oil Pool and this is the formation to be unitized and waterflooded. The two wells in the northwest and southeast quarters of the Unit Area will be injection wells and the two wells in the northeast and southwest quarters of the Unit Area will be producers. This unitized project will be operated in cooperation with adjacent waterflood projects.

Approximately 500 barrels of water will be injected into each of the two injection wells daily at an initial surface injection pressure estimated at 600 psi. The depth of the injection interval in the Yates-Seven Rivers formation is from approximately 2900 feet to approximately 3400 feet. The injection

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fluid is fresh water obtained from water wells in the southwest quarter of Section 9, Township 26 South, Range 37 East, Lea County, New Mexico, approximately two miles north of the proposed State "JD" Unit. Texaco is authorized to use 450 acre-feet per annum from this source by State Engineer Permits No. CP-452, CP-452-X, CP-452-X-2, CP-452-X-3, CP-452-X-4, CP-452-X-5, CP-452-X-6, and CP-452-X-7.

Included with this application for a hearing is a plat of the project area and a copy of the Unit Agreement. Following under separate cover is a larger map of the project area, a typical well log, and a diagramatic sketch of one of the injection wells.

Offset operators to the proposed State "JD" Unit are Texaco Inc., Union Texas Petroleum Corporation, and Texas Pacific Oil Company, as shown below, each of whom is receiving a copy of this request for a hearing. Copies are also being mailed to the New Mexico State Land Commissioner and Amerada Petroleum Corporation.

Yours very truly,

Darrell Smith
Division Manager

By _____
C. L. Whigham
Division Proration Engineer

CLW-MM
Attachments

cc: Union Texas Petroleum Corp.
Division of Allied Chemical
1300 Wilco Bldg.
Midland, Texas 79701

Texas Pacific Oil Company
Box 4067
Midland, Texas 79701