

August 11, 1971

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O. C. C.
ARTESIA, OFFICE

State of New Mexico
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr., Sec.-Director

Subject: Application for Pressure Maintenance Project

Dear Mr. Porter:

I am applying for authority to begin a pressure maintenance project on the Guy A. Reed Lease - Sec. 24, R-24-S, T-28-E, NMPM, Eddy County, New Mexico.

There are two wells on the lease: No. 1 which is producing 70 bbls. of oil daily and 60 bbls. of water. - No. 2 which was originally drilled as a producing Delaware Sand Oil Well, but was T.A. in 1967.

I propose to set a packer in the No. 2 well and pressure the produced water from the No. 1 well into formation through perfs in well No. 2. As GOR on well No. 1 is only 360/1, this will help maintain reservoir pressure and allow the No. 1 well's productive life to be extended as a top allowable producer.

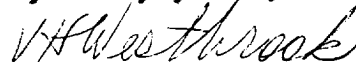
There are no offset operators and the closest operator is Morris R. Antwell - Malaga Unit - approximately 3/4 mile to the Northeast from the proposed pressure maintenance well.

Enclosed are:

1. Lease Plat
2. Diagrammatic sketch of proposed maintenance well
3. C-108 in triplicate
4. Electrical log

If further information is required, please advise.

Very truly yours,



V. H. Westbrook

Enc.