DEC . " lata

CONTINENTAL OIL COMPANY

P. O. Box 460

Hobbs, New Mexico 88240

PRODUCTION DEPARTMENT
HOBES DIVISION
L. P. THOMPSON
Division Manager
G. C. JAMIESON
Assistant Division Manager

December 17, 1969

1001 North Turner telephone 393-4141

329/

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

Attention Mr. A. L. Porter, Jr.

Subject: Expansion of Forest Pool Waterflood Project, Eddy County, New Mexico

Gentlemen:

Order No. R-3756 authorized Continental Oil Company to institute three waterflood projects in the Grayburg San Andres formations in the Forest Pool, Eddy County, New Mexico, and to expand the flood administratively. This waterflood project has been started on a lease basis and we are currently injecting water into four wells. Application for final approval of the Forest Pool Unit has been filed with the U.S.G.S. and is anticipated to be approved January 1, 1970.

Continental Oil Company has acquired the tract upon which is located the Nunlee Well No. 3 formerly operated by General American Oil Company of Texas. This well is located in Unit J, Section 35, T-16S, R-29E, Eddy County, New Mexico. It is Continental's intent to enlarge the unit to include this tract and to convert the well, which after unit expansion will be redesignated Forest Pool Unit Well No. 23 as a water injection well in the Forest Pool Unit. This well is presently designated as a Square Lake Pool well and is included within a waterflood project area for General American's Nunlee lease. It is respectfully requested that the NW/4 SE/4, Section 35 be removed from the Square Lake Pool and be redesignated as Forest Pool. Concurrently, it is requested that this 40 acre tract be removed from the waterflood project area for General American's Nunlee lease.

New Mexico 0il Conservation Commission Page 2 December 17, 1969

Attached, hereto is a plat showing the proposed injection well and an area two miles in radius surrounding the well. Also, attached is a schematic diagram showing the size, setting depths, amount of cement used for each casing string. Water will be injected through cement-lined tubing under a packer set at approximately 2500 feet. The water to be used is being purchased from Double Eagle Corporation as is the water being injected into the other Forest Pool Unit wells.

A copy of this application is being furnished to the offset operator, General American Oil Company of Texas. It is respectfully requested that administrative approval be given Continental Oil Company to expand the waterflood project by converting the Nunlee No. 3 as a water injector.

Respectfully submitted,

Mhompson

LPT-STW

Enc.

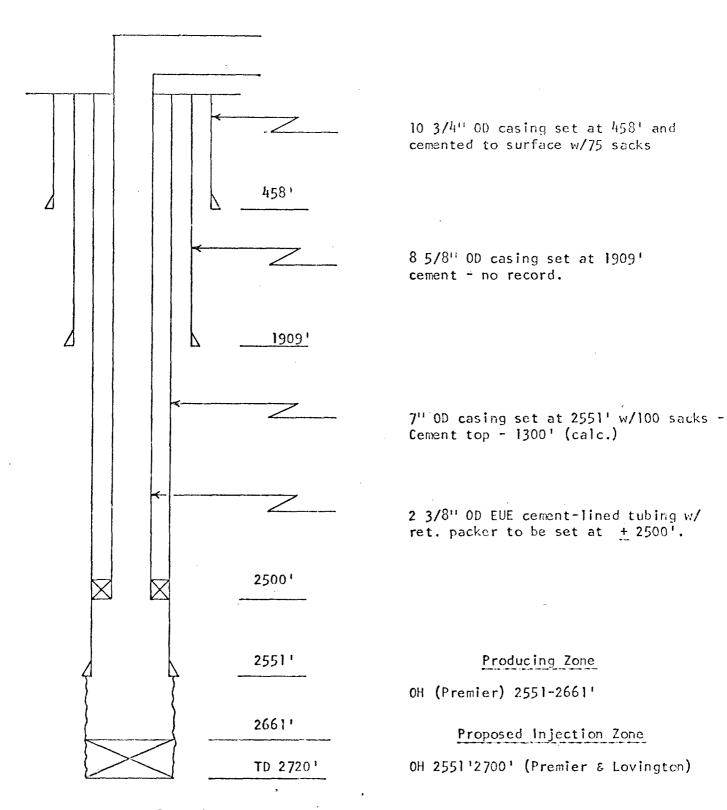
CC: NMOCC-Hobbs USGS-Hobbs (2)

General American Oil Company of Texas

RLA JJB JWK

GENERAL AMERICAN - NUMLEE NO. 3

Unit J - 1650' FSL & 2310' FEL Sec. 35-168-29E Elev. 3659' - 0F



Procedure

- 1. Tag bottom, tally out with tubing.
- 2. If PD 2661' or fill above 2700' drillout and clean out to 2700'.
- 3. Run cement-lined tubing w/ret, packer to be set at \pm 2500'. Hook up for injection.