



THE EASTLAND OIL COMPANY

P.O. DRAWER 3488
560 ONE MARIENFELD PLACE
MIDLAND, TEXAS 79702
TELEPHONE (915) 683-6293

March 18, 1986

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Michael E. Stogner

Re: Power Grayburg (Federal) Unit
Eddy County, New Mexico
Order No. R-8165

RECEIVED

MAR 1 1986

OIL CONSERVATION DIVISION

Gentlemen:

By Order No. R-8165, dated February 25, 1986, the Oil Conservation Division approved a waterflood project in the Power Grayburg - San Andres Pool with The Eastland Oil Company as operator. The following producing wells were designated as injectors:

- (1) Allied Federal No. 2 located 660 feet FNL and 1980 feet FEL, Section 6, T-18-S, R-31-E
- (2) Kenwood Federal No. 3 located 660 feet FNL and 660 feet FWL, Section 6, T-18-S, R-31-E and,
- (3) Sibyl Federal No. 2 located 1650 feet FNL and 330 feet FEL, Section 1, T-18-S, R-30-E.

Since one of these wells, Allied Federal No. 2, is one-half mile from an abandoned well that could possibly be improperly plugged, and it appears that it would be impractical to attempt to re-plug this abandoned well, it is requested that the proposed listed injection wells be reclassified as producing wells.

The pattern for injection would be changed according to the attached plat by converting the following wells from producing status to injectors:

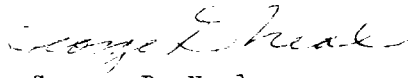
- (1) Allied Federal No. 1 located 660 feet FNL and 660 feet FEL, Section 6, T-18-S, R-31-E
- (2) Kenwood Federal No. 1 located 660 feet FNL and 1980 feet FWL, Section 6, T-18-S, R-31-E
- (3) Kenwood Federal No. 2 located 1650 feet FNL and 660 feet FWL, Section 6, T-18-S, R-31-E
- (4) Sibyl Federal No. 1 located 660 feet FNL and 660 feet FEL, Section 1, T-18-S, R-30-E.

Arco Federal No. 3, located 330 feet FNL and 1980 feet FWL, Section 5, T-18-S, R-31-E, will be re-entered and recompleted as an injection well as previously approved by the Division. Injection Well Data Sheets for each of the proposed wells are enclosed. Engineering and geological data for the waterflood have been submitted and no loss of recoverable oil will result from the change in pattern.

Administrative approval of these changes and additions in order No. R-8165 is requested.

Yours very truly,

THE EASTLAND OIL COMPANY



George D. Neal
Vice President - Production

cc: L.A. Clements
District II - Artesia

enclosures:
GDN/bh

POWER GRAYBURG UNIT
ATTACHMENT TO FORM C-108
LIST OF SURFACE OWNERS AND
LEASEHOLD OPERATORS WITHIN ONE-HALF MILE

1. Surface Owners: (All leases in Unit)
Federal Lands
Bureau of Land Management
Roswell District Office
P.O.Box 1397
Roswell, New Mexico 88201
2. Leasehold Operators:
Anadarko Producing Company
Box 2497, 900 Gibraltar Savings Center
Midland, Texas 79702

Amoco Production Company
Box 68
Hobbs, New Mexico 88240

APCO Production Company
80 Sierra Cr., C.R. 240
Durango, Colorado 81301

ARCO Oil & Gas Company
Box 1610
Midland, Texas 79702

Belnorth Petroleum Corporation
One Petroleum Center, Bldg. 6
3300 N. "A" Street
Midland, Texas 79705

Cal-Mon Oil Company
P.O.Box 2066
Midland, Texas 79702

El Paso Natural Gas Company
Box 1492
El Paso, Texas 79978

Northern Natural Gas Company
One Petroleum Center, Bldg. 6
3300 N. "A" Street
Midland, Texas 79705

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Pogo Producing Company
Box 10340, 300 Midland Tower
Midland, Texas 79702

Union Texas Petroleum Corporation
Division of Allied Chemical Corporation
P.O.Box 200128
Houston, Texas 77216

Harvey E. Yates Company
Box 1933
Roswell, New Mexico 88201



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

June 10, 1986

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Mr. Thomas Kellahin
Kellahin & Kellahin
Attorneys at Law
Post Office Box 2265
Santa Fe, New Mexico

Re: CASE NO. 9895
ORDER NO. R-8165-A

Applicant:

The Eastland Oil Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

B. L. Smith

R. L. STAMETS
Director

RLS / fd

Copy of order also sent to:

| | |
|-------------|---|
| Hobbs OCD | X |
| Artesia OCD | X |
| Aztec OCD | |

Other _____