TEXACO INC.

PETROLEUM PRODUCTS



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MIDLAND DIVISION

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DOMESTIC PRODUCING DEPARTMENT

March 24, 1966

REQUEST FOR HEARING UNITIZATION AND SECONDARY RECOVERY SKAGGS (GRAYBURG) OIL POOL LEA COUNTY, NEW MEXICO

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Secretary Director New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Dear Sir:

As provided by Rule 1203, Texaco Inc. hereby submits in triplicate a request for an Examiner Hearing in Santa Fe, New Mexico, to consider an application for unitizing and waterflooding ten tracts comprising a total area of approximately 880 acres in the Skaggs (Grayburg) Oil Pool in Lea County, New Mexico. The Unit Agreement has currently been ratified by 92.1 percent of the total working interest and 75.0 percent of the total royalty interest in the unit. It is planned to convert ten of the twenty-two producing wells on these tracts to injectors, as shown by the attached plat. Injection will be into the <u>Grayburg formation</u> of Permian Age at an average depth of 3700 feet to 3950 feet. It is anticipated that initial injection rates will be approximately 200 to 500 barrels of water per day per well.

Fresh water is to be used for the injection fluid which is available from a fresh water supply well located 745' FNL and 300' FEL of Section 13, T-20-S, R-37-E. This well was drilled under Texaco's Water Permit L-4412 approved by the State Engineer in the Lea County Shallow Underground Basin in April, 1964 and is designated as Water Source Well No. L-4412. Upon completion, it tested for 200 gallons per minute. Two more water source wells are to be drilled and they will be positioned on a line running North-South through the existing well. The location of Water Supply Well No. L-4412-S has been filed with and approved by the State Engineer.

Oil Conservation Commission of New Mexico Order No. 4-1710, effective June 10, 1960, authorizes Continental Oil Company to waterflood the Grayburg formation on its Southeast Monument Unit, Skaggs Pool, Lea County, New Mexico, immediately to the south of the subject area. The subject waterflood project will be in cooperative agreement with Continental.

DOCKET MAILED 4-15-60 Date-

In compliance with Rule 701 of the New Mexico Oil Conservation Commission rules, we are including with this application for Examiner Hearing, a plat of the project area, a representative radioactive log, a diagrammatic sketch of a proposed injection well showing all information relevant to its current completion and proposed conversion to injection, a list of the fourteen working interest owners with addresses and a list of the six offset operators with addresses. Detailed information as required under this rule is being compiled at this time and will be furnished at the hearing.

A copy of this application and all attachments are being forwarded under separate cover on this date to the State Engineer's Office, Capitol Building, Santa Fe, New Mexico, requesting the approval of that office for this proposed waterflood project. A copy of this letter and all attachments except the well log are also being mailed this date to all offset operators and working interest owners.

Yours very truly,

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C. L. Whigham Division Proration Engineer

CLW:jl

Attachments

NMOCC - Hobbs State Engineer LCW JSR HDR Offset Operators SKAGGS GRAYBURG UNIT LEA COUNTY, NEW MEXICO

WORKING INTEREST OWNERS

 Dick Bench 901 W. Missouri Midland, Texas

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- 2. B. H. Oil Company 901 W. Missouri Midland, Texas
- 3. D. O. Bomar Wilkinson-Foster Bldg. Midland, Texas
- 4. B. R. Greathouse Midland National Bank Bldg. Midland, Texas
- 5. J. E. Hall 501 W. Scharbauer Midland, Texas
- R. A. Hefner, III 901 W. Missouri Midland, Texas
- Hissom Drlg. Co. 901 W. Missouri Midland, Texas
- R. J. Hissom 901 W. Missouri -Midland, Texas
- Manor Oil Co. 901 W. Missouri Midland, Texas
- David L. Morgan 901 W. Missouri Widland, Texas
- 11. J. R. Sharp
 280h Sentinel
 Midland, Texas
- 12. B. L. Sweet P. O. Box 51 Hobbs, New Mexico

- 13. Texaco Inc. P. C. Box 3109 Midland, Texas Attn.: Mr. T. W. Doyle
- 14. The Fluor Corporation Ltd. Midland Tower Bldg. Midland, Texas

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OFFSET OPERATORS PROPOSED SKAGGS GRAYBURG UNIT SKAGGS (MRAYBURG) OIL POOL LEA COUNTY, NEW MEXICO

Amerada Petroleum Corporation P. O. Box 668 Hobbs, New Mexico

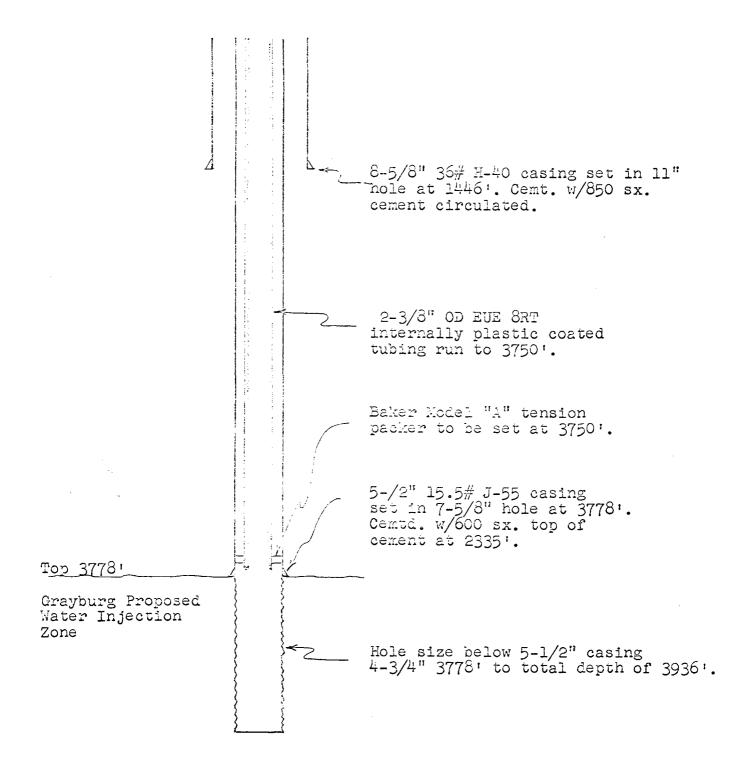
Cities Service P. O. Box 59 Hobbs. New Mexico

Continental Oil Company P. O. Box 427 Hobbs, New Mexico DeKalb Petroleum Corp. 404 W. Illinois Midland, Texas

Texaco Inc. P. O. Box 728 Hobbs, New Mexico Attn: Mr. W. S. Bouldin

Tidewater Oil Company P. O. Box 1231 Midland, Texas

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DIAGRAMMATIC SKETCH OF PROPOSED INJECTION WELL

Texaco Inc., L. R. Kershaw Well No. 1 Skaggs Grayburg Oil Pool Lea County, New Mexico

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12 11 40.634 TEXACO OeKalb _² **_**' "Δ" ۴Δ" Cities Service Hissom Drlg. K 0 🗙 "A[†] • ² 2 • Byers C. H. Weir **Byers** TEXACO TEXACO Bill L. Sweet 3 6 ٩ (5 •³ Stanford Т M. B. Weir 20 20 18 14 43 s TEXACO EXACO Bill L. Sweet Bill L. Sweet TEXACO \overline{O} "A" /(8) Stonford Trickey L. R. Kershow L. R. Kershaw (10 TEXACO ۹ *** •** × •5 Amerodo M. 8. We Continental M. B. Weir "A" •⁷⁸ •43 .80 •" • Continental Turner 40 474-Continental ●⁷⁴ •⁴⁷ *****" •** •" •⁷⁵ •45 • "SEMU--Perm" "SEMU-Perm" "SEMU-Perm" 40.454 R-37-E R-38-E EXHIBIT "B" LEGEND тο UNIT OUTLINE UNIT AGREEMENT UNIT TRACT NUMBER $(\mathbf{0})$ SKAGGS GRAYBURG UNIT PROPOSED INJECTION WELLS Lea County, New Mexico Scole: Orown By C. E. Dept - J. G. L. July 8, 1965

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