

October 20, 1981

293155 - NORTH VACUUM ABO WEST UNIT
LEA COUNTY, NEW MEXICO

Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87501

Attention: Mr. Ray D. Graham

Dear Sir:

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SERIALIZED	FILED
OCT 20 1981	
FBI - ALBUQUERQUE	
Texaco	3
7399	

By letter dated October 16, 1980, you gave approval as to form and content of the Unit Agreement, proposed North Vacuum Abo West Unit, Lea County, New Mexico, to be operated by Texaco Inc.

As you may know, the Oil Conservation Division of the Energy and Minerals Department, State of New Mexico, has now scheduled a "Hearing" to consider the application of Texaco Inc. to initiate waterflood operations in and under the proposed North Vacuum Abo West Unit. The application for the North Vacuum Abo West Unit appears on the OCD's Docket as Case No. 7399. The hearing is scheduled for Wednesday, November 4, 1981. There was an unintentional delay in requesting a hearing by the OCD on the North Vacuum Abo West Unit. Because of the delay, it became necessary to extend the ipso facto termination date as set forth in Article 26 appearing on Page 10 of the Unit Agreement. Please be advised that during the month of August, 1981, the working interest owners of the North Vacuum Abo West Unit voted to extend the ipso facto termination date to September 1, 1982.

After the scheduled hearing by the Oil Conservation Division and, assuming approval of the unit by the Division, Texaco will furnish the items identified in your letter of October 16, 1980, and request approval of the North Vacuum Abo West Unit by the Commissioner of Public Lands.

Yours very truly,

E. H. Watkins
Land Manager

By

Robert E. Davis

Robert E. Davis

RED-ES

bcc: JWC(JMW)

File-R.F.-W.B.

10/20/81