

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:



CASE NO. 10948

IN THE MATTER OF THE APPLICATION OF
TEXACO EXPLORATION AND PRODUCTION INC.
FOR A WATERFLOOD PROJECT,
LEA COUNTY, NEW MEXICO.

MAR 25 1994

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A.,
as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Texaco Inc. _____
c/o Darlene de Aragao _____
205 East Bender _____
Hobbs, New Mexico 88240 _____
(505) 397-0421 _____

William F. Carr, Esq. _____
Campbell, Carr, Berge & Sheridan, P.A. _____
Post Office Box 2208 _____
Santa Fe, New Mexico 87504 _____
(505) 988-4421 _____

name, address, phone and
contact person

OTHER PARTY

ATTORNEY

name, address, phone and
contact person

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Texaco Exploration and Production Inc., applicant in the above-styled cause, seeks authority to institute a waterflood project on its W. H. Rhodes "B" Federal (NCT-2) Lease located in the SE/4 of Section 28, Township 26 South, Range 37 East, by the injection of water into the Rhodes Yates-Seven Rivers Pool.

OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

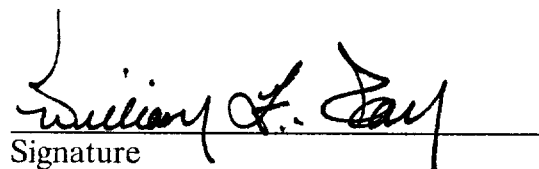
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Darlene De Aragao, Petroleum Engineer	20 Min.	Approximately 5

OTHER PARTY

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

(Please identify any procedural matters which need to be resolved prior to hearing)


Signature



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

January 28, 1994

Texaco Exploration and Production, Inc.
P.O. Box 3109
Midland, TX 79702

Attention: C.P. Basham

Administrative Order NSL-3343

Dear Mr. Basham:

Reference is made to your application dated January 13, 1994 for a non-standard oil well location for the purpose of completing an efficient production/injection pattern within the W.H. Rhodes "B" Federal Unit Waterflood Project Area, established and expanded by Division Order Nos. R-2748, R-2748-A, R-9847, and WFX-645.

It is our understanding that the proposed W.H. Rhodes "B" NCT-2 Well No. 7 is to be drilled 1350 feet from the South line and 1290 feet from the East line (Unit I) of Section 28, Township 26 South, Range 37 East, NMPM, Rhodes Yates-Seven Rivers Pool, Lea County, New Mexico.

Said well to be dedicated to an existing standard 40-acre oil spacing and proration unit comprising the NE/4 SE/4 of said Section 28.

By the authority granted me under the provisions of General Rule 104 F(I), the above-described unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
US Bureau of Land Management - Carlsbad

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT
DAVID B. LAWRENZ
TANYA M. TRUJILLO

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TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

March 28, 1994

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

MAR 28 1994

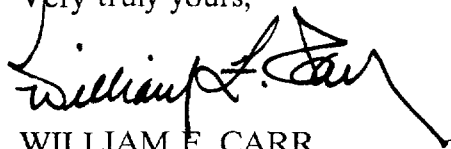
Re: Oil Conservation Division Case No. 10948:
Application of Texaco Exploration and Production, Inc. for a waterflood
project, Lea County, New Mexico

Dear Mr. LeMay:

Texaco Exploration and Production, Inc. respectfully requests that this matter which is currently set on the Division docket for the March 31, 1994 hearings be continued to the April 14, 1994 Examiner docket.

Your attention to this matter is appreciated.

Very truly yours,



WILLIAM F. CARR
WFC:mlh

cc: Ms Darlene De Aragao
Texaco Exploration and Production, Inc.
Post Office Box 730
Hobbs, New Mexico 88240

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
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March 8, 1994

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

MAR 8 1994

10948

Re: Texaco Exploration and Production Inc.
Rhodes Coop Waterflood
Rhodes Yates Seven Rivers Pool, Lea County, New Mexico

Dear Mr. LeMay:

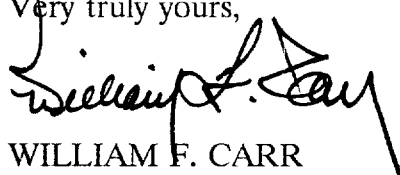
By letter dated February 2, 1994 Texaco Exploration and Production Inc. filed OCD Form C-108 seeking expansion of the Rhodes Coop Waterflood.

David Catanach has advised Texaco that no waterflood project has been approved for the NCT B No. 2 Lease in the SE/4 of Section 28, Township 26 South, Range 37 East.

Texaco hereby requests that the Form C-108 previously filed with the Division be treated as its application for approval of a waterflood project on this acreage in the Rhodes Yates Seven Rivers Pool. Texaco would appreciate this case being included on the docket for the Examiner Hearings scheduled for March 31, 1994.

Your attention to this matter is appreciated.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO EXPLORATION AND PRODUCTION INC.

WFC:mlh

cc: Darlene de Aragao



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

April 27, 1994

RE: Case No. 10948
Order No. R-10104

Mr. William F. Carr
Campbell, Carr, Berge & Sheridan
Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico 87504-2208

Dear Mr. Carr:

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

Sincerely,

Florene Davidson

Florene Davidson
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD