STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION



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

August 6, 1991

Phillips Petroleum Company 4001 Penbrook Odessa, Texas 79762

Attention: Larry M. Sanders

Re: Reclassification of Maljamar SWD Well No. 1

Dear Mr. Sanders:

Reference is made to your request to reclassify the Maljamar SWD Well No. 1 located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 26, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico, from a salt water disposal well to an injection well within the Maljamar Philmex Waterflood Project, Maljamar Grayburg San Andres Pool, (previously approved by Division Order No. R-3668, as amended). It is our understanding that the subject well was originally permitted for use as a salt water disposal well by Division Order No. SWD-126 dated June 28, 1972. It is further our understanding that the physical characteristics of the subject well, including the perforated interval will not change as a result of reclassification.

The Maljamar SWD Well NO. 1, as described above, is hereby reclassified as an injection well within the Maljamar Philmex Waterflood Project and redesignated the Philmex Well No. 9.

Sincerely,

William J. LeMay

Director

xc: OCD-Hobbs

Case File-4035 File-SWD-126 Sarah Archuleta