ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

DIL CONSERVATION DIVISION



New Hexico

BRUCE KING GOVERNOR

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

February 13, 1992

Shell Western E & P Inc. P.O. Box 576 Houston, Texas 77001

Attention: Lori Litzen

Dear Ms. Litzen:

Reference is made to your request dated December 11, 1991, for authorization to convert six wells to injection within the Northeast Drinkard Unit Waterflood Project. I have reviewed your application and have found that the newspaper advertisement contains two mistakes. The advertisement incorrectly states the injection formation as being the San Andres formation, and does not give the complete well location for the NEDU Well No. 408. We will require that you run the advertisement again to correct the errors before your application can be approved. Please send me a copy of the advertisement when it is run.

Everything else in your application looks good and I foresee no other problems in getting the wells authorized for injection. If I can be of assistance, please contact me at (505) 827-5800.

Sincerely and otanad

David Catanach Engineer