



THE PURE OIL COMPANY

SOUTHERN PRODUCING DIVISION • MIDLAND DISTRICT
P. O. BOX 671 • MIDLAND, TEXAS • MUTUAL 2-3725

March 14, 1963

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

RE: Case No. 2273 and No. 2274

Gentlemen:

The Pure Oil Company, as an interest holder in the proposed Hume Queen Unit and Water Flood Project, supports the application of C. W. Trainer for unitization and water flood of this field.

The issuance of orders to allow the unitization and water flood of this field would be in the best interest of conservation, and it is recommended that they be so permitted.

Yours very truly,

J. R. Murphey, Jr.
District Petroleum Engineer

JRM/cs

CLASS OF SERVICE

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WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201 (4-60)

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of (177) LOCAL TIME at point of destination

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NEW MEXICO OIL CONSERVATION COMMISSION,

ATTN A L PORTER JR= SANTA FE NMEX=

CITIES SERVICE OIL COMPANY RECOMMENDS APPROVAL OF
CASES 2733 AND 2774 CONCERNING THE HUME QUEEN UNIT
AND WATER FLUID PROPOSALS=

R W ELY DIVN SUPT CITIES SERVICE OIL CO=

=2773 2774=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS

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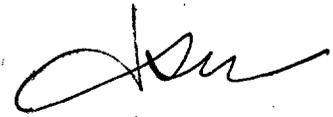
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NEW MEXICO OIL CONSERVATION COMMISSION=
SANTA FE NMEX=



IN RE CASES NOS 2773 AND 2774 DOCKET OF MARCH 20 1963
SHELL OIL COMPANY AS OWNER OF A 27.6 PER CENT INTEREST
IN THE HUME QUEEN UNIT SUPPORTS THE APPLICATION OF C W
FRATNER FOR PERMISSION TO INSTITUTE A SECONDARY RECOVERY
PROJECT IN THE HUME QUEEN POOL AND HIS APPLICATION FOR
APPROVAL OF THE HUME QUEEN UNIT AGREEMENT=

R L RANKIN DIVISION PRODUCTION MANAGER

SHELL OIL COMPANY P O BOX 1858 ROSWELL NMEX==

=2773 2774 20 1963 27.6 =GESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

RECEIVED
MAR 18 1963
COMMUNICATIONS
DIVISION

SETH, MONTGOMERY, FEDERICI & ANDREWS

ATTORNEYS AND COUNSELORS AT LAW

301 DON GASPAR AVENUE

SANTA FE, NEW MEXICO 800 APR 17 PM 3 00

J. O. SETH
COUNSEL

POST OFFICE BOX 828
TELEPHONE YU 3-7315

A. K. MONTGOMERY
WM. FEDERICI
FRANK ANDREWS
FRED C. HANNAHS
GEORGE A. GRAHAM, JR.
RICHARD S. MORRIS

April 17, 1963

New Mexico Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.
Secretary-Director

Gentlemen:

By Commission Orders Nos. R-2454 and R-2455 entered in cases numbers 2773 and 2774 on March 27, 1963, approval was given to the Hume-Queen Unit Agreement and to a water flood project to be instituted in the unit area by C. W. Trainer, who was designated as operator of the water flood project as well as operator of the unit.

At the time of the hearings, it was expected that an 80 acre tract consisting of the S/2 SW/4 of Section 8, T-16-S, R-34-E, Lea County, New Mexico, operated by Burk Royalty Company would join the unit and would participate in the water flood project. Since that time, it appears that Burk Royalty Company will not commit its acreage to the unit, but it has agreed to cooperate in the water flood project by injecting water into its well No. A-2 at rates commensurate with the Trainer well in the NW/4 NE/4 of Section 17. A copy of the agreement between Burk Royalty Company and C. W. Trainer is enclosed for your information and reference.

The question now arises as to whether the approval given to C. W. Trainer by Order No. R-2455 is sufficient to allow the injection of water into the Burk Royalty Company's well or whether it will be necessary for them to have a hearing to secure such authorization. Inasmuch as the well to be used for injection purposes by Burk is one of the wells which Trainer proposed to use as an injection well in his project, it appears that all pertinent information already has been supplied to the Commission at the previous hearing. It is hoped, therefore, that no further hearing will be required to authorize Burk's participation pursuant to the enclosed agreement. If possible, we would appreciate the Commission's interpretation of its Order No. R-2455 in this regard.

Very truly yours,

RSM:nm
cc: Mr. C. W. Trainer
Mr. Tom Darling
Encl.

Richard S. Morris

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

AND COMMISSIONER
S. JOHNNY WALKER
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 871
SANTA FE

Mr. Richard Morris
Seth, Montgomery, Federici & Andrews
Attorneys at Law _____, 19_____
Box 828
Santa Fe, New Mexico

Gentlemen:

Enclosed herewith is Commission Order No. R- 2455 , entered in Case No. 2774 , approving the Hume-Queen Water Flood Project.

According to our calculations, when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 980 barrels per day.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate District proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 26, 1963

**Richard S. Morris, Esq.
Seth, Montgomery, Federici & Andrews
Attorneys at Law
P. O. Box 828
Santa Fe, New Mexico**

Dear Mr. Morris:

Reference is made to your letter of April 17, 1963, wherein you requested our opinion concerning Burk Royalty Company's authority to inject water into its Shell State "A" Well No. 2 located in the SW/4 SW/4 of Section 8, Township 16 South, Range 34 East, N34E, Lea County, New Mexico, under the provisions of Order No. R-2455.

Since Order No. R-2455 authorized the injection of water into the above Shell State "A" Well No. 2 and a copy of the injection well agreement executed by Burk Royalty Company and C. W. Trainer has been filed with this office, a hearing will not be necessary to secure authority for Burk Royalty Company to inject water into the subject well. Burk Royalty Company may inject water into its Shell State "A" Well No. 2 in the same manner and to the same extent that C. W. Trainer could have injected water into the subject well under the provisions of Order No. R-2455.

Very truly yours,

**A. L. PORTER, Jr.,
Secretary-Director**

ALP/JMD/esr

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OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

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Mr. Richard S. Morris
Seth, Montgomery, Federici & Andrews
Attorneys at Law
Post Office Box 828
Santa Fe, New Mexico

April 1, 1963

received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Enclosure (1)

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OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 1, 1963

**Mr. Richard S. Morris
Seth, Montgomery, Federici & Andrews
Attorneys at Law
Post Office Box 828
Santa Fe, New Mexico**

Dear Sir:

Enclosed herewith is Commission Order No. R-2455, entered in Case No. 2774, approving the Hume-Queen Unit Waterflood Project.

According to our calculations, when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 980 barrels per day.

Please report any error in this calculated maximum allowable immediately both to the Santa Fe office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have

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