

25 14 13
Artesia, New Mexico
March 21, 1961

Graridge Corporation
Ibex Building
Breckenridge, Texas

Gentlemen:

Reference is made to your February 13, 1961, Application to the New Mexico Oil Conservation Commission for administrative approval to convert two wells (Basler-Yates State Nos. 384 and 385) to water injection wells in the Artesia Flood No. 2, Eddy County, New Mexico.

On June 7, 1960, the Oil Conservation Commission promulgated its Order R-1687 in Case 1973, authorizing you to drill three injection wells on your Artesia Water Flood Project No. 2 and two of these wells were the Nos. 384 and 385. This order was conditioned upon the fact that you would perform the necessary remedial work on our State Wells Nos. 43 and 47.

You are advised that we consider that the necessary remedial work has been accomplished on our State Well No. 47 and that we have no objection to your pending application for administrative approval to convert wells Nos. 384 and 385 to water injection wells. However, this permission shall not be construed as relieving Graridge Corporation, its successors and assigns, from any of the obligations imposed upon your company by the terms of any of our existing agreements relative to the Artesia Flood in Eddy County, New Mexico.

We are furnishing you with an additional copy of this letter in order that you may transmit the same to the New Mexico Oil

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Conservation Commission so that their files will reflect that we have no objection to the first above mentioned application for administrative approval.

Very truly yours

WESTERN DEVELOPMENT COMPANY
OF DELAWARE

By M. E. Spitler
Marion Spitler, General Manager

YATES PETROLEUM CORPORATION

By Harvey E. Yates

In duplicate