

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 4, 1962

Mr. Howard Bratton
Hervey, Dow & Hinkle
P. O. Box 10
Roswell, New Mexico

Gentlemen:

Enclosed herewith is Commission Order No. R-2156, entered in Case No. 2457, approving the Murphy H. Baxter Maljamar 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 504 barrels per day. This is based upon the assumption that the wells on each of the 40-acre tracts in the waterflood project area are completed in and producing from the Maljamar (Grayburg-San Andres) Pool.

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