

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

*Case
2643*

December 14, 1962

Phillips Petroleum Company
3rd Floor, Permian Building
Midland, Texas

Attention: Mr. J. N. Perkins

Gentlemen:

Reference is made to your letter of December 12, 1962, regarding our letter of December 3rd and our computation of the maximum allowable assignable to your West Cap Queen Sand Unit water flood project.

We have reviewed the calculation of the allowable and find that the maximum allowable will be as stated in your letter, 1470 barrels of oil per day based on the existing 35 wells and 1512 barrels per day when the additional injection well in the SE/4 NE/4 of Section 21 is placed on active injection.

Very truly yours,

DANIEL S. NUTTER
Chief Engineer

DSN/og

cc: Mr. Joe D. Ramey
Oil Conservation Commission
Box 2045
Hobbs, New Mexico



PHILLIPS PETROLEUM COMPANY
3d Floor Permian Building
Midland, Texas

December 12, 1962

Re: West Cap Queen Sand Unit
Caprock Queen Pool
Chaves County, New Mexico

Mr. A. L. Porter, Jr.
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

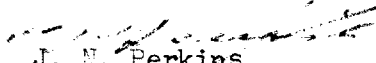
Dear Sir:

Your letter dated December 3, 1962 to Mr. Jason Kellahin relative to Order No. R-2336, Case No. 2643, has been forwarded to this office for review and reply.

Our calculations are that the maximum allowable for the West Cap Queen Sand Unit waterflood project authorized by Order No. R-2336, will be 1470 barrels of oil per day based on the existing 35 wells and the provisions of Rule 701-R-3. When the injection well in the southeast, north-east of Section 21 is completed, this maximum allowable will increase to 1512 barrels oil per day. We have attached a plat of the West Cap Queen Sand Unit area showing all existing wells and wells proposed for water injection.

As requested in your letter, we will notify both the Santa Fe and Hobbs Commission Offices when active water injection commences, additional wells are drilled or acquired, and when wells have received response.

Yours truly,


J. M. Perkins
W. Division Superintendent
Production Department

DLC/jw
cc: Oil Conser. Comm.
P. O. Box 2045
Hobbs, New Mexico

33
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151

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE. NEW MEXICO

December 3, 1962

**Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Box 1713
Santa Fe, New Mexico**

Dear Sir:

Reference is made to Order No. R-2336, Case No. 2643, recently entered by the Commission authorizing Phillips Petroleum Company's West Cap Waterflood Project, Caprock Queen Pool.

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 1428 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

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

-2-

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

ALP/ir

cc:

Oil Conservation Commission
Artesia, New Mexico

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

October 19, 1962

Re: Case No. 2643
Order No. R-2336
Applicant:
Phillips Petroleum Company

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

A. L. Porter, Jr.

Carbon copy of order also sent to:

OTHER _____



STATE OF NEW MEXICO

STATE ENGINEER OFFICE

SANTA FE

S. E. REYNOLDS
STATE ENGINEER

September 14, 1962

ADDRESS CORRESPONDENCE TO:
STATE CAPITOL
SANTA FE, N. M.

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Porter:

Reference is made to the application of Phillips Petroleum Company for approval of the New Mexico Oil Conservation Commission to establish the West Cap Queen Sand Unit, Approval of the Unit Operating Agreement, and for authority to waterflood the Queen Sand underlying said unit located in Township 14 South, Range 31 East, Chaves County, New Mexico, which was submitted to your office on September 6, 1962.

In view of the statement under the note at the bottom of Exhibit No. 19 which states "All of the the injection wells will be equipped with 2" tubing and packers for injection service and the annulus between the tubing string and casing string will be filled with fluid above the packer," this office offers no objection to the granting of the applications.

Yours truly,

S. E. Reynolds
State Engineer

FEI/ma
cc-Phillips Petro. Co.
F. H. Hennighausen

By: *Grant E. Irby*
Frank E. Irby
Chief
Water Rights Div.