

Cc: Mr. Frank Irby
CCC - Hobbs, N.M.

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

August 7, 1963

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

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Dear Mr. Morris:

Enclosed herewith is Commission Order No. R-2538, entered in No. 2851, approving the Shell Oil Company's East Pearl Queen Waterflood Project.

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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 2478 barrels per day.

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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

ALP/ir
Enclosure



SHELL OIL COMPANY

P. O. Box 1858
Roswell, New Mexico 88203 JUL 10 AM 1963 23

July 1, 1963

Case 2851

Subject: East Pearl Queen Unit Waterflood
Lea County, New Mexico

Mr. D. S. Nutter
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Nutter:

Reference is made to your recent conversation with Mr. G. G. Carnahan and our attorney, Mr. R. S. Morris, concerning the scheduled July 10 hearing on the East Pearl Queen Unit Waterflood.

At this meeting copies of all the logs of the proposed injection wells were furnished to you with the exception of one log being the Collier-State No. 1. Enclosed is the log of the subject well. This set of logs will be used as an exhibit in the forthcoming hearing.

We want to thank you for your time in discussing with us the referenced waterflood hearing.

Yours very truly,

R. L. Rankin

R. L. Rankin
Division Production Manager

Enclosure

cc: Mr. R. S. Morris
P. O. Box 828
Santa Fe, New Mexico

DOCKET MAILED

Date 7/12/63