

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

November 19, 1968

Mr. Booker Kelly  
White, Gilbert, Koch & Kelly  
Attorneys at Law  
Post Office Box 787  
Santa Fe, New Mexico

Dear Sir:

Reference is made to Commission Order No. R-3566, entered in Case No. 3935, approving the Sinclair Jalmat Davis Waterflood Project.

Injection is to be through the one authorized water injection well, which shall be equipped with a string of tubing set in a packer at approximately 3050 feet.

The casing-tubing annulus shall be loaded with an inhibited fluid and equipped with a pressure gauge to facilitate detection of leakage in the casing, tubing or packer.

As to allowable, our calculations indicate that 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 84 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less.

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

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

-2-

Mr. Booker Kelly  
White, Gilbert, Koch & Kelly  
Attorneys at Law  
Post Office Box 787  
Santa Fe, New Mexico

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/DSn/ir

Enclosure

cc: Oil Conservation Commission  
Hobbs, New Mexico

Mr. D. E. Gray, State Engineer Office  
Santa Fe, New Mexico