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

February 7, 1966

Mr. John Russell Attorney at Law Post Office Drawer 640 Roswell, New Mexico

Dear Sire

Reference is made to Commission Order No. R-3026, recently entered in Case No. 3358, approving the General American Grayburg Keely Cooperative Waterflood Project.

Initial injection is to be through the eight injection wells authorized in Stage I. If the need for additional injection wells is indicated, then the three wells authorized as Stage II may be converted. If the need for additional injection wells is still indicated, the two wells authorized in Stage III may be converted. Injection into all wells is to be through internally plastic-coated tubing set in packers, with the packers to be installed approximately 50 feet above the shoe of the 5½ inch liner.

As to allowable, our calculations indicate that when all of the authorised injection wells in Stage I have been placed on active injection, the maximum allowable which the project will be eligible to receive under the provisions of Rule 701-2-3 is 706 barrels per day. When the wells authorised in Stages II as well as Stage III have been placed on active injection, the maximum allowable will increase to 796 barrels per day. No allowable credit has been assigned to Units 2 and 2 of Section 26 inasmuch as the injection wells on these units are outside of the Grayburg Keely Unit Area, and there are no producing wells in the Grayburg Keely zone on the same lease outside of the Unit Area; so allowable credit has been assigned to Unit 6 of Section 26

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-2-Mr. John Russell Attorney at Law Reswell, New Mexico February 7, 1966

because there are no producing wells in the Grayburg Keely on this forty.

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 previsions 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 unitisation, 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.

Wery truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/ir

state Engineer Office Santa Fe, New Mexico

> Oil Conservation Commission Artesia, New Mexico

DISTRICT OFFICE
BOX 416
LOCO HILLS, NEW MEXICO
January 7, 1966

New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico

Attention: Daniel S. Nutter

Dear Sir:

As you requested on January 5, 1966 in Case 3358, I am attaching a plat showing the Unit Letter for each well within this project.

If additional information is needed, please advise.

Very truly yours,

GENERAL AMERICAN OIL COMPANY OF TEXAS

Roy Crow

District Engineer

RC/gl Encl.

GOVERNOR JACK M. CAMPBELL CHAIRMAN

State of New Mexico

Bil Conservation Commission

LAND COMMISSIONER GUYTON B. HAYS MEMBER

Other__

STATE GEOLOGIST A. L. PORTER, JR. SECRETARY - DIRECTOR

P. O. BOX 2088 SANTA FE

Janua	ry 13, 1966
	Re: Case No. 3358
	Order No. R-3026
Mr. John Russell	Applicant:
Attorney at Law P. O. Drawer 640	Conoral American Oil Company
Roswell, New Mexico	General American Oil Company of Texas
	2 3.1.3.2
Dear Sir:	
order recently entered in the	of the above-referenced Commission ne subject case. Letter pertaining nd maximum allowable to follow.
	Very truly yours, A. L. PORTER, Jr. Secretary-Director
ALP/ir	
Carbon copy of order also se	ent to:
Hobbs OCC x	
Artesia OCC x	
Aztec OCC	
Other Mr. Frank Irby	

LAW OFFICES OF

JOHN F. RUSSELL

SUITE 1010 SECURITY NATIONAL BANK BUILDING P O DRAWER 640

ROSWELL, NEW MEXICO 88201

TELEPHONE 622-4641 AREA CODE 505

December 27, 1965

Mr. A. L. Porter, Jr. Secretary-Director Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mex ico 87501

Case No. 3358 RE: American Oil Company of

Texas

Dear Mr. Porter:

I transmit herewith in triplicate four exhibits which will be offered in the above numbered case.

A copy of these exhibits have been furnished to the State Engineer.

Very truly yours,

John F. Russell

JFR:np

Enclosures

cc: Mr. Frank Irby, State Engineers Office

LAW OFFICES OF

JOHN F. RUSSELL

SUITE 1010 SECURITY NATIONAL BANK BUILDING P O DRAWER 640

ROSWELL. NEW MEXICO 88201

December 10, 1965

TELEPHONE 622-4641 AREA CODE 505 AREA CODE 505

Mr. A. L. Porter, Jr. Secretary-Director Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Dear Mr. Porter:

I transmit herewith the application of General American Oil Company of Texas for an expansion of its pilot waterflood project authorized by Order R-2327 entered in Case No. 2639.

The various exhibits referred to in the application are in the process of being completed and, upon completion, I shall promptly send them to you as well as copies to the State Engineer.

Very truly yours,

John F. Russell

JFR:np

Enclosure

Date 12-23-65