

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

October 7, 1966

C
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P
Y
Mr. James M. Durrett, Jr.
Rhodes, McCallister & Durrett
Attorneys at Law
619 Simms Building
Albuquerque, New Mexico

Dear Sir:

Reference is made to Commission Order No. R-3129 recently entered in Case No. 3459, approving the Pennzoil Maljamar Waterflood Project.

Injection is to be through the eight authorized water injection wells, which shall be equipped with tubing and packers.

According to our calculations, when all of the authorized injection wells have been placed on active injection, the maximum allowable which the Phillips State portion of the project will be eligible to receive under the provisions of Rule 701-E-3 is 546 barrels per day when the Southeast New Mexico waterflood allowable factor is 42; the maximum which the Phillips Federal portion of the project will be eligible to receive is 126 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

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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/DSN/ir

cc: Mr. Frank Irby
State Engineer Office
Santa Fe, New Mexico

Oil Conservation Commission
Post Office Box 1980
Hobbs, New Mexico



STATE OF NEW MEXICO

STATE ENGINEER OFFICE

SANTA FE

September 27, 1966

S. E. REYNOLDS
STATE ENGINEER

ADDRESS CORRESPONDENCE TO:
STATE CAPITOL
SANTA FE, NEW MEXICO 87501

Case 3459

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

Dear Mr. Porter:

Reference is made to the application of Pennzoil Company dated August 23, 1966 which seeks Commission approval for a water-flood project in Sections 28 and 33, T. 17 S., R. 33 E., Lea County, New Mexico.

This office offers no objection to the granting of the application provided the injection wells are completed in the manner indicated on the diagrammatic sketches which accompanied the application.

I should bring to your attention, for your consideration, the fact that the Phillips Federal Well #3 in the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Sec. 33 is described in the application as being 660' FWL of said section and is shown on the plat dated September 13, 1966 as being 660' FEL of said section. I have discussed this point with Mr. Huddleston and he states that he will take care of this correction.

FEI/ma
cc-Mr. J. M. Durrett, Jr.
K. R. Huddleston
Mrs. Marian Rhea
F. H. Hennighausen

Yours truly,

S. E. Reynolds
State Engineer

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

RHODES, McCALLISTER & DURRETT
ATTORNEYS AT LAW

JERRY P. RHODES
ORVILLE C. McCALLISTER, JR.
J. M. DURRETT, JR.

619 SIMMS BUILDING
ALBUQUERQUE, NEW MEXICO 87101
TELEPHONE 243-9746

August 23, 1966

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

Attention: Mr. A. L. Porter, Jr., Secretary Director

Re: Application of Pennzoil Company for a water flood project,
Lea County, New Mexico

Gentlemen:

I am enclosing an original and two copies of the above application. Will you please docket this application for the second examiner hearing in September. A copy of the application has been forwarded to the State Engineer, the State Land Office and your Hobbs District Office for informational purposes.

Very truly yours,

Rhodes, McCallister & Durrett

By J. M. Durrett, Jr.
J. M. Durrett, Jr.

JMD/jk

Encls.

cc: State Engineer
State Land Office
Oil Conservation Commission - Hobbs

DOCKET MAILED

Date 9-15-66

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

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

P. O. BOX 2088
SANTA FE

October 4, 1966

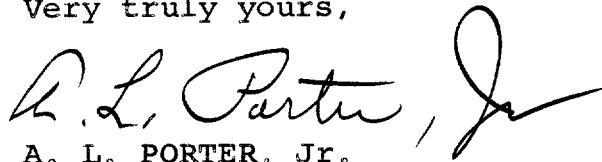
Mr. James M. Durrett, Jr.
Rhodes, McCallister & Durrett
Attorneys at Law
619 Simms Building
Albuquerque, New Mexico

Re: Case No. 3459
Order No. R-3129
Applicant:
PENNZOIL COMPANY

Dear Sir:

Enclosed herewith is a copy of the above-referenced Commission order recently entered in the subject case. Letter pertaining to conditions of approval and maximum allowable to follow.

Very truly yours,


A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC

Other Mr. Frank Irby