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JOHN W. BASSETT
ROBERT E. SABIN

P. O. DRAWER 700
TELEPHONE 505 622-6221
SECURITY NATIONAL BANK BUILDING
ROSWELL, NEW MEXICO
88201

June 24, 1968

J. K. Smith, Esquire
Division Attorney
Pan American Petroleum Corporation
P. O. Box 1410
Fort Worth, Texas 76101

Re: Pan American Cortland Myers Waterflood Project Oil Conservation Commission Order No. R-3434 OCC Case No. 3782

Dear Mr. Smith:

We have received the enclosed letter dated June 21, 1968 from the Oil Conservation Commission, signed by Mr. Porter, specifying details of completion of the water injection wells in this project, and discussing allowables. The letter requests that Pan American immediately report any error in the calculated maximum allowable and requests notification when various steps in the project have been taken.

With regards.

Very truly yours,

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ATWOOD & MALONE

GFM:bc Enc.

cc: Mr. A. L. Porter, Jr. √

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE. NEW MEXICO 87501

June 21, 1968

Mr. Charles Malone Atwood & Malone Attorneys at Law Post Office Box 700 Roswell, New Mexico 88201

Dear Sir:

Reference is made to Commission Order No. R-3434, recently entered in Case No. 3782, approving the Pan American Cortland Myers Water-flood Project.

Injection is to be through the three authorised water injection wells, each of which shall be equipped with a string of two-inch internally plastic-coated tubing set in a packer with the packers to be located within 100 feet of the casing shoe.

The casing-tubing annulus is to be loaded with an inert fluid and left open at the surface or equipped with a pressure gauge to facilitate detection of tubing or packer leaks.

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 252 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 profesion office.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

-2-Mr. Charles Malone Atwood & Malone Attorneys at Law Roswell, New Mexico

June 21, 1968

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 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.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/ir

cc: Oil Conservation Commission Hobbs, New Mexico

> U. S. Geological Survey Post Office Box 1838 Hobbs, New Mexico

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

GOVERNOR DAVID F. CARGO CHAIRMAN

State of New Mexico Bil Conservation Commission

LAND COMMISSIONER GUYTON B. HAYS MEMBER



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

P. O. BOX 2088 SANTA FE

June 18, 1968	
Re: Mr. Charles Malone Atwood & Malone Attorneys at Law Fost Office Box 700 Roswell, New Mexico 88201	Case No. 3782 Order No. R-3434 Applicant: Pan American Petroleum Corp.
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 State Engineer x	
Other	



UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

Drawer 1857 Roswell, New Mexico 88201

RECEIVED UNIT SECTION FORT WORTH
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Pan American Petroleum Corporation P. O. Box 1410 Fort Worth, Texas 76101

Attention: Mr. J. W. Austin

Gentlemen:

This office is currently processing your application for final approval of the Cortland Myers unit agreement, Lea County, New Mexico.

Section 20 of the unit agreement requires approval by the New Mexico Oil Conservation Commission. Approval of the Cortland Myers unit agreement by the U. S. Geological Survey can be completed after you file copies of approval by New Mexico Oil Conservation Commission with this office.

Sincerely yours,

CARL C. TRAYWICK

Acting Oil & Gas Supervisor

April

PAN AMERICAN PETROLEUM CORPORATION

OIL AND GAS BUILDING

P. O. BOX 1410

D. L. RAY DIVISION ENGINEER FORT WORTH, TEXAS-76101

May 14, 1968

Cua 37/2

File:

GHF-249-986.510.1

Subject: Unit Agreement and Waterflood

Project, Cortland Myers Unit

Langlie-Mattix Pool Lea County, New Mexico

Mr. A. L. Porter (3) Secretary-Director New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Dear Sir:

Pan American Petroleum Corporation respectfully requests that a hearing be scheduled to consider our application for approval of a Unit Agreement and to initiate waterflooding operations in the Cortland Myers Unit, Langlie-Mattix Pool, Lea County, New Mexico. Pan American will request approval of the Cortland Myers Unit Agreement covering 240 acres, this acreage being the E/2 SW/4, SE/4 NW/4, W/2 SE/4, SE/4 of the SE/4, Section 22, T24S, R37E, Lea County, New Mexico. We will also request approval to initiate a waterflood project for this unit by conversion to water injection of Cortland Myers Unit Wells 2, 5 and 6 for injection purposes in the Langlie-Mattix Pool.

Attached are a copy of the Unit Agreement, a plat of the project area, schematic diagrams for each injection well, a log on Cortland Myers Unit Well 6, a proposed injector, and a pertinent data sheet for the project area.

Yours very truly,

Original Signed D. L. RAY By JVM

DGW:mp Attachments

DOCKET MILED