OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

December 2, 1969

Mr. Charles White White, Gilbert, Koch & Kelly Attorneys at Law Post Office Box 787 Santa Fe, New Mexico Dear Sir:

Enclosed herewith is Commission Order No. R-3889, entered in Case No. 4269, approving the Texaco State "JD" Rhodes Waterflood Project.

Injection is to be through the two authorized water injection wells, each of which shall be equipped with plastic-lined tubing set in a packer located as near to the top of the liner as practicable. The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface.

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 156 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 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.

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-2-Mr. Charles White White, Gilbert, Koch & Kelly Attorneys at Law Post Office Box 787 Santa Fe, New Mexico

December 2, 1969

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

Enclosures

ALP/DSN/ir

cc: Oil Conservation Commission Hobbs, New Mexico

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

TEXACO

Hobbs, New Mexico

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Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

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

Re: Request For Hearing Proposed State "JD" Unit Rhodes Yates Pool Lea County, New Mexico

Gentlemen:

Enclosed are the required exhibits to facilitate Texaco's Request for a Hearing for the proposed State "JD" Unit. The Request for Hearing was made in our letter to you dated November 5, 1969, requesting a hearing for November 25, 1969.

The radioactivity log is from a producing well in the proposed Unit since no logs are available on a proposed injection well.

Yours very truly,

A. E. Maring .

D. E. Dawson District Engineer

BRH-ac

Enclosures