



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

August 10, 1990

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Circle Ridge Production Inc.
C/O Peak Consulting Services
P.O. Box 636
Hobbs, New Mexico 88240

Attention: Michael L. Pierce

Dear Mr. Pierce:


Reference is made to your request dated July 18, 1990, on behalf of Circle Ridge Production Inc., to convert the Rock Queen Unit Well Nos. 3 and 9, located respectively in Unit C of Section 26, and Unit I of Section 27, both in Township 13 South, Range 31 East, NMPM, Lea County, New Mexico, to injection within the Rock Queen Unit Waterflood Project.

Please be advised that the Division has received an objection to your application, and therefore, your application has been set to hearing before a Division examiner on September 5, 1990.

It is our understanding that during July, 1990, you received verbal authorization from the Division to commence injection into the above-described wells, pending approval of your application. Please be advised that in light of the objection, it will be necessary to discontinue injection until such time as the matter has been resolved.

If you should have any questions, please contact myself at (505) 827-5800.

Sincerely,


David Catanach
Engineer

xc: OCD-Hobbs
Case File