January 23, 1984

TONEY ANAYA
GOVERNOR

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Estoril Producing Corporation
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Gentlemen:

On January 11, 1984, the New Mexico Oil Conservation Division convened the final nomenclature committee meeting. The committee accomplished its goal to standardize the formation tops in the Delaware Basin in Lea County, New Mexico, for the Bell Canyon, Cherry Canyon, Brushy Canyon, Bone Spring, Strawn, Atoka, and Morrow formations.

The final cross sections will be incorporated into the pool rules of the OCD study area. This will be accomplished at the Examiner Hearing for February 29, 1984. At this hearing we will seek three exceptions for wells which cross the proposed boundaries, one well reclassification of its producing interval, the abolishment of three pools, the creation of two new pools, and the extension of one pool.

According to our records, you have three wells in this area currently classified as Antelope Ridge Strawn Gas wells which according to the new nomenclature tops will be classified as Atoka. These wells are as follows:

Adobe Fed #1-E (1650/N & 1980/E) Sec. 15, T23S, R34E
Strawn perfs 12032--207 ft.
Nomenclature Atoka top 11971 ft.

Belco Fed #1-0 (760/S & 1980/E) Sec. 15, T23S, R34E
Strawn perfs 12002--12178 ft.
Nomenclature Atoka top 11948 ft.

Curry State #1-A (660/N & E) Sec. 22, T23S, R34E
Strawn perfs 11930--12116 ft.
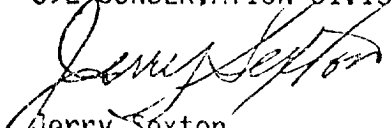Nomenclature Atoka top 11893 ft.

In order to make this correction, we propose to abolish the Antelope Ridge Strawn Gas Pool and extend the Antelope Ridge-Atoka Gas Pool to include these wells.

The final cross sections will be available in Hobbs from Superior Reproductions at (505) 393-4061.

You are requested to review this proposal and notify us in writing whether or not you are in agreement with our proposed changes.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, Dist. I