



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

February 12, 1986

50 YEARS



1935 - 1985

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161

TONEY ANAYA
GOVERNOR

Read & Stevens, Inc.
P. O. Box 1518
Roswell, New Mexico 88202

Attention Mr. Bruce Stubbs

Re: North Lea Federal No. 1-Y, Unit I, Section 10, T-20-S, R-34-E
Laurie "D" Federal No. 1, Unit A, Section 15, T-20-S, R-34-E

Dear Mr. Stubbs:

Form C-104 for the North Lea Federal Well No. 1-Y is being returned in order that you may show the gas volume in the space provided as indicated by a red check mark, rather than the date of the test. Also, please furnish us with two copies of Form C-122 covering the 4 point test that is shown on Form C-104 as the testing method. Further, the well is within the horizontal limits of the Lea Pennsylvanian Pool rather than the North Lea Morrow as shown on the form.

Your recently completed Laurie "D" Federal Well No. 1 is outside the horizontal limits of the Lea Pennsylvanian Gas Pool, and since Division Order No. R-7830-A restricts the 160 acre spacing to the horizontal limits of the pool as defined at that time, a standard proration unit for this well will be 320 acres. The location is unorthodox for a 320 acre proration unit, however. Therefore, it will be necessary for you to either submit revised Forms C-102 outlining a 320 acre unit and obtain approval from the Santa Fe office of the Oil Conservation Division for the unorthodox location, or to obtain approval from the Santa Fe office for the 160 non-standard proration unit shown on Form C-102 presently on file.

If you have questions regarding this matter, please feel free to contact us.

Yours very truly,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District 1

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encl.