

ORILLING GOMPANY, INC.

OIL PRODUCTION AND DRILLING

EMERY CARPER, PRESIDENT STANLEY CARPER, VICE PRES MARSHALL ROWLEY, VICE PRES ARTESIA. NEW MEXICO
CARPER BUILDING
TELEPHONE 147 L D 847

May 27, 1952

Buffalo Oil Company Carper Building Artesia, New Mexico Ex 710 316 Case 316

Attention: Mr. Ralph Gray

Gentlemen:

We have no objection to your request for the removal of the limiting was-oil ratio from the field rules adopted for the Maljamar Padrock Pool by the New Mexico (il Conservation Commission.

We realize it will be necessary for you to produce enough oil from this horizon to make it a paying proposition and that you would not be able to do so without increasing the gas-oil ratio since you have only a few feet of effective pay and very low permiability.

As one of the members of the Maljamar Cooperative Repressuring Agreement, we also appreciate the time at which you propose to produce this well, and that is when the plant has insufficient gas to operate the compressors at capacity.

Sincerely,

CARPER DRILLING COMPANY, INC

Marshall Rowley

MR:cc