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STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

GARREY CARRUTHERS

March 29, 1989

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

Bass Enterprises Production Company P.O. Box 2760 Midland, TX 79702

Attn: Drilling Supervisor

Re:

Reeves 21 State #1-P Section 21, T18S, R35E

Gentlemen:

This is to advise that it will be necessary for you to amend your proposed casing program for the above-referenced well due to the fact that Hondo Oil and Gas Company hit a high pressure waterflow during drilling operations of their well located in Unit D Section 27, T18S, R35E. This well is a direct offset to your proposed Reeves 21 State #1.

In order to eliminate danger of losing well control it will be necessary for you to set your 8 5/8" casing to the top of the Anhydrite at approximately 1680 feet rather than as originally planned. Please file Form C-103 indicating this change in your casing design.

If you have questions concerning this request, please feel free to call me at (505) 393-6161.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I

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