



Texaco Exploration and Production Inc  
Midland Producing Division

500 N. Lorain  
Midland TX 79701

5/2/94  
1:00 PM

May 2, 1994

Mr. Jerry Sexton  
New Mexico Oil Conservation Division  
P.O. Box 1980  
Hobbs, New Mexico 88240

Re: G.W. Sims No. 1  
Unit Letter D, Section 9, T23S, R37E  
Lea County, New Mexico

Mr. Sexton:

To confirm our telephone conversation today, Texaco will:

- 1) file for a hearing within 45 days for pool rules for the Blinbry, Tubb, Drinkard, and Abo in the Teague, North Field.
- 2) flow the G.W. Sims No. 1 from the Drinkard at a rate of less than or equal to 142 BOPD and 500 MCFPD until an Order is rendered on the subject hearing.
- 3) shut-in the subject well to make up gas overproduction if the resulting Order so requires.

This test period will allow additional information to be gathered on the Drinkard. This data will include well tests, pressure buildup data, and testing of reservoir fluids. Using this data, a field development plan can be implemented to maximize ultimate recovery, production rates, and economics.

Your consideration in this matter is appreciated.

Sincerely,

*K. Glenn Carter*

K. Glenn Carter  
Drilling Engineer