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April 26, 1960

Mrs. W. L. Smith  
Oil Reports & Gas Services  
P. O. Box 763  
Hobbs, New Mexico

Dear Mrs. Smith:

We have received your notices of intention to drill wells Stout - State No. 1 located 660 FNL, 2310 FEL, Section 16, T20S, R32E, and Phillips - State No. 1 located 1980 FNL, 2310 FEL, Section 16, T20S, R32E. Both locations are within our State Potash Lease M-13890 and are also within the boundaries of the Potash-Oil area as defined in the Oil Conservation Commission Order R-111-A.

International would offer no objection to these locations providing that your drilling and casing program were in exact accordance with the provisions of Order R-111-A. However, it is the opinion of International that your casing and cementing program as outlined in your Notice of Intention to Drill does not abide by these rules in that:

1. The surface casing is to be set above the culebra limestone and anhydrite member.
2. No provision has been made to cement the salt protection string for testing purposes.
3. Your intent does not state your proposal concerning the 7" casing in the event the wells are producers.
4. If the exploratory test wells are completed as productive wells, insufficient cement is proposed to circulate to the surface.

Therefore, until such time as the casing and cementing programs are clarified and/or altered to conform to the rules set forth in Order R-111-A, International will be forced to object to the drilling of these two wells.

If you wish to expedite this matter, I suggest that you contact Mr. Engbrecht,

April 26, 1968

April 26, 1968

Mr. W. L. Smith  
Oil Reports & Gas Services  
P. O. Box 783  
Hobbs, New Mexico

Dear Mr. Smith:

We have received your notice of intention to drill wells Stout - State No. 1 located 650 WML, 2310 EML, Section 16, T20S, R32E, and Phillips - State No. 1 located 1180 WML, 2310 EML, Section 16, T20S, R32E. Both locations are within our State Potash Lease M-13890 and are also within the boundaries of the Potash-Oil area as defined in the Oil Conservation Commission Order R-111-A.

International would offer no objection to these locations providing that your casing and casing program were in exact accordance with the provisions of Order R-111-A. However, it is the opinion of International that your casing and cementing program as outlined in your Notice of Intention to Drill does not abide by these rules in that:

1. The surface casing is to be set above the oil and gas limestone and anhydrite member.
2. No provision has been made to cement the salt protection string for testing purposes.
3. Your intent does not state your proposal concerning the "V" casing in the event the wells are producers.
4. If the exploratory test wells are completed as productive wells, inner cement cement is proposed to circulate to the surface.

Therefore, with each time as the casing and cementing programs are clarified and/or altered to conform to the rules set forth in Order R-111-A, International will be forced to object to the drilling of these two wells.

If you wish to expedite this matter, I suggest that you contact Mr. Waprock.