

TEXAS PACIFIC OIL COMPANY, INC.

P. O. Box 4067
Midland, Texas 79701

RECEIVED

October 9, 1975

OCT 10 1975

O. C. C.
ARTESIA, OFFICE

New Mexico Oil Conservation Commission
Drawer DD
Artesia, New Mexico 88210

Attention: Mr. W. A. Gressett
District Supervisor

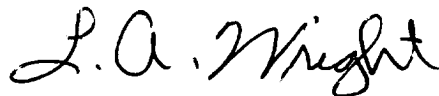
Re: Phantom Draw Unit Fed. No. 1,
Located in Unit M, Sec. 20,
T-26-S, R-31-E, Eddy County,
New Mexico

Gentlemen:

A testing allowable of 150 bbls. was assigned to this well on August 20, 1975. Upon receipt of the allowable, a service company was contacted to pull the water off the tank. An inexperienced pump truck operator removed the total contents of the tank and pumped it into the mud pits. Due to the large size of the mud pits, we were unable to recover any of the oil. The service company has reimbursed Texas Pacific for the 116 bbls. of condensate lost and Texas Pacific will make payment to royalty owners for produced condensate.

Very truly yours,

TEXAS PACIFIC OIL COMPANY, INC.



L. A. Wright
West Area Superintendent

DMc/dw

cc: USGS
Drawer U
Artesia, New Mexico 88210
Attn: Mr. R. L. Beekman

Texas Pacific Oil Co., Inc.
1700 One Main Place
Dallas, Texas 75250
Attn: Accounting Dept.