VAL R. REESE & ASSOCIATES, Inc.

GEOLOGICAL & ENGINEERING CONSULTANTS

PHONE CHAPEL 3-3569

ALBUQUERQUE, NEW MEXICO

LOBBY OF SIMMS BUILDING

February 3, 1961

Why.

Mr. Emory Arnold New Mexico Oil Conservation Commission 1000 Rio Brazos Road Aztec, New Mexico

Dear Mr. Arnold:

The Val R. Reese & Associates, Inc. Sperling #1-30 well located in Unit I, Section 30, T-24N, R-6W, Rio Arriba County, New Mexico is a dually completed well. The upper zone is in the Escrito-Gallup and is classed as an oil well with a high gasoil ratio. The lower zone is completed in the Basin Dakota field and is classed as a gas well.

The Dakota zone of this well last produced in November of 1960. At that time it produced an average of 24 Mcfpd. A deliverability test was not filed on the Dakota zone in 1960 because the production from the well was not sufficient or constant enough for the three weeks conditioning and flow. Due to the small production from the Dakota zone we would like to request that this zone be classed as an exempt marginal well. Any shut-in period on the Dakota zone requires the well to be swabbed to initiate flow, therefore we would also like to request that the packer leakage test be waived on this well.

Very truly yours,

Val R. Reese

VRR:sw

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