



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

June 9, 1986

50 YEARS



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Cantro Exploration Inc.
P. O. Box 700150
San Antonio, Texas 78270-0150

Attention: Robert Green

Administrative Order TX-160

Gentlemen:

Reference is made to your request for an exception to the tubing setting requirements as contained in Division Rule 107(d) (3) for the below-named well.

Pursuant to the authority granted me by Rule 107(d) (4), you are hereby authorized to set tubing at 2032 feet in the following well:

Well Name and Number: Hanson Federal Well No. 2

Location: Unit P, Sec. 20, Township 19 South, Range 31
East, NMPM, Eddy County, New Mexico

The Division reserves the right to rescind this authority in the event that waste appears to be resulting therefrom.

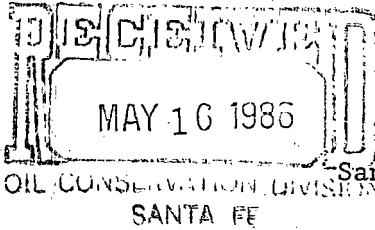
Very truly yours,

R. L. STAMETS,
Division Director

RLS/MES/h

cc: Oil Conservation Division - Artesia

PV2V2005132530



CANTRO EXPLORATION, INC.
P.O. Box 700150
San Antonio, Texas 78270-0150
512-490-9431
May 9, 1986

Mr. Roy Johnson
Oil Conservation Division
P.O. Box 2088
Sante Fe, New Mexico 87501

Re: Hanson Federal Lease
Well No. 2
Sec. 20, 19S, 31E
Unit P
Eddy County, New Mexico
NM0557729

Dear Mr. Johnson;

The above captioned well was just recently completed as an oil well. In conjunction with the oil the well makes approximately 98 bbls of water per day. In order to hopefully cut back on the water and not prematurely cone up water, the bottom of the tubing was set 299 ft. above the top of the producing open hole pay. It is felt that there has been no loss in daily oil volume by so setting the tubing where it currently is. An exception to State Wide Rule 107B is hereby requested on the above captioned well. Your prompt attention in this matter will be greatly appreciated.

Respectfully submitted,

Robert M. Green
President

tb; depth.

OK w/
Dist II
5-20-86