

ILLEGIBLE

PERM OK OIL, INC. CONSERVATION DIVISION
4050 PENNSYLVANIA, STE 940
KANSAS CITY, MO., 64111
JAN 27 1985

~~CONFIDENTIAL~~

Mr. Jerry Sexton
Oil Conservation Division Case 11214
P.O. Box 1980
Hobbs, N.M. 88240

Re: Permission to Complete & Produce
Leonard Brothers A Federal Well No. 2
N.M. Lease 7952
660' FNL & 660' FWL
Sec. 23, T26S, R37E
Lea County, N.M.
Operated by PermOK Oil, Inc.

Dear Mr. Sexton,

Reference is made to letter from Richard Smiley, Meridian Oil, Inc. dated January 21, 1985 wherein Meridian Oil advised that they do not agree with Non-Standard Production Unit of 160 acres for a completion in the Rhodes (Gate Seven Rivers) gas pool for the Leonard Bros. A Federal No. 2.

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Please be advised that PermOK Oil, Inc. requires a 450 MCFD allowable producing rate for 80 acres spacing. Hearing is requested to be scheduled as promptly as possible to effectuate this application.

Sincerely,

Eugene M. Strauss
EUGENE M. STRAUSS, PRES.

cc: BLM/Hobbs, Vince Balderaz
OCD/Santa Fe, Michael Stogner
Meridian, Richard Imley
OCD/Santa Fe, Florence Davidson

Perm OK Oil, Inc.
4050 Perm, Ste 340
K.C. Mo., 64111



Mr. Michael Stogner
Oil Conservation Division
2040 So. Parkway
Santa Fe, N.M., 87505