



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

August 21, 1984

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

Mr. Scott Hall
Campbell, Byrd & Black
Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico 87501

Dear Mr. Hall:

I am enclosing a copy of Order No. R-7638 entered in Case No. 8246.

In addition to forwarding the order, I wish to call reporting requirements to your attention. The Division will require that Form C-115 and Form C-111 be filed monthly on this operation. Example copies of these forms are enclosed. These forms deal only with the injection phase and when production begins from the Latigo Ranch Blk "A" Well No. 1, that production and its disposition must be shown on Form C-115. Further, if the Latigo Ranch Blk "B" Well No. 2 should begin to produce lease condensate, those volumes must be shown both in the production and oil disposition columns of the form. When completing Form C-111, the operator must also fill in the appropriate lines and columns in Section IV. When injection actually begins, the operator must notify Mr. Roy Johnson of this office and must further make arrangements for any other periodic reports to be required at that time.

Finally, conversations with the Oil and Gas Accounting Division indicate that Trans Pecos will have some obligation for payment of certain taxes. They should contact that Division to clarify this matter prior to production.

Sincerely,

R. L. STAMETS
Technical Support Chief

RLS/fd