

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. DRAWER DD - ARTESIA
88210

August 13, 1974

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Dalport Oil Corporation
3471 First National Bank Building
Dallas, Texas 75202

ATTN: Mr. W. L. Todd, Jr.

Re: Hill Federal
#1-K, 26-14-29
Chaves County, N. M.

Dear Mr. Todd:

According to our records, the subject well has only 160 acres dedicated.

As you know, the Double L Queen Pool rules require 320 acres for a gas well or administrative approval of the Non Standard Proration Unit.

Further, in reply to your letter of 8-5-74 concerning C-104 on a number of your wells. Form C-104 Request for Allowable on gas wells are not approved until such time as we receive a notice of connection from the transporter.

Further, I might add, I have been told that the transporter name will be Kennedy Engineering Company.

I called your office last week, but you were out. If you have any questions concerning this matter, please feel free to call upon me.

Sincerely yours,

OIL CONSERVATION COMMISSION



W. A. Gressett
Supervisor, District II

WAG/ep