



United States Department of the Interior

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GEOLOGICAL SURVEY
P. O. Drawer 0

SEP 6 1977

Artesia, New Mexico 88210

O. C. C.
ARTESIA, OFFICE

September 2, 1977

Maralo, Inc.
P. O. Box 832
Midland, Texas 79702

Gentlemen:

This refers to your well No. 2-Butler Springs Unit on oil and gas lease NM-15872, located 1980/N 660/W, sec. 12, T. 15 S., R. 28 E., N.M.P.M., Chaves County, New Mexico, which was spudded on 11-23-75 and reached a total depth of 9490 feet on 1-12-76. After prolonged attempts to complete in the Morrow formation, the well was plugged back and completed in a Grayburg formation zone, 2070 to 2090 feet, with gas containing 91.6 percent nitrogen and having a BTU content of only 87.32.

By Subsequent Report of 8-24-77, you advised that you do not plan to incur the expense of conducting an absolute open flow test because the BTU required to extract nitrogen from the gas is greater than the BTU available from the gas.

In as much as the well is not considered to be capable of producing in paying quantities, you are requested to show cause as to why this well should not be plugged and abandoned at this time.

Sincerely yours,

(orig. sigd.) JAMES A. KNAUF

James A. Knauf
District Engineer

cc:
Roswell
> NMOCC, Artesia

RLB/sh

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SEP 6 1977

D.C.C.
ANTHONY, OFFICE

STATE OF NEW YORK
JULY 1977