



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

March 11, 1982

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

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ARTESIA, NEW MEXICO 88210
(505) 748-1283

Read & Stevens, Inc.
P. O. Box 1518
Roswell, NM 88201

Re: Toles Federal #1-0
Sec. 34-15S-27E
Diamond Mound-Atoka
Pool

Gentlemen:

There has arisen a need to study the Diamond Mound-Atoka and Morrow gas pools. The reasoning being:

- (1) Complexities in correlation due to the depositional surface and nature of the reservoir.
- (2) Splitting of production history into two pool names based on existing correlations.
- (3) Potential commingling difficulties.
- (4) Operators disagreement on the Morrow and Atoka formation tops.

A feasible solution is:

- (1) Abolish the Diamond Mound-Morrow gas pool.
- (2) Extend the Diamond Mound-Atoka gas pool to include the acreage of said abolished pool.
- (3) Extend the vertical limits of the Diamond Mound-Atoka gas pool to include the Morrow formation. Rename said pool to the Diamond Mound-Atoka/Morrow gas pool.

If you have any questions regarding this matter feel free to contact me at this office.

Sincerely,

Larry Brooks
Larry Brooks
Geologist

LB:jw