Chambers & Kennedy

SUITE 607 MIDLAND NATIONAL BANK BUILDING MIDLAND, TEXAS AUGUST 28, 1961

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D. C. C.

Mr. M. L. Armstrong New Mexico Oil Conservation Commission Artesia, New Mexico

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Dear Mr. Armstrong:

Chambers and Kennedy completed their Gulf State well number one located Unit P, Section  $\mathcal{B} \not\in {}^{/}T$ -17-S, R-28-E, Eddy County on April 3, 1960. This well was completed as a gas well but considered to be located in an oil pool.

The last time we discussed this well with the Commision we were told we could produce a volume of gas equivalent to 2000 to one times the allowable for our depth. Phillips did not feel they could lay a line to this well for such a small volume of gas. It was also my understanding the Commission was doing some work to determine whether or not some of the small fields in this area should be combined into one, and the possibility of classifying some wells as gas wells.

I would appreciate any information you might have as to our chances of getting a gas well allowable on this well. If it appears that we will not be able to produce this well we may want to plug it and salvage our equipment from it.

Yours very truly,

CHAMBERS & KENNEDY

W. J. Alexander Engineer

C. FRED CHAMBERS W. D. KENNEDY

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