STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION ARTESIA DISTRICT OFFICE

JERRY APODACA GOVERNOR

NICK FRANKLIN SECRETARY P.O. DRAWER DD ARTESIA, NEW MEXICO 88210 (505) 746-4861

July 11, 1978

Cactus Drilling Corp. P.O. Box 1239 Richardson, TX 75080

> Re: Delhi A State #1-D 33-17-28 Eddy County, NM

Gentlemen:

The above reference well has an allowable of 54 barrels of oil for the current proration schedule. It appears this well was first assigned this amount on October 28, 1977.

According to the cover page of your proration schedule, the wells in the Empire Abo pool will require an annual GOR test due no later than August 10, 1978. If you will refer to page eleven (11) of the schedule, you will find this well listed. If you do not have a proration schedule, please contact our Hobbs Oil Conservation Division office. They will send you a copy. We make up a new schedule three times a year, so you will need to be put on the mailing list.

According to our records, we have not been receiving your Form C-115, Monthly Production Report, in this office. We require a copy of this report on the 24th of the following month. Example: June's report is due July 24th. The last report we received was February, 1978. Please forward a copy of each report that has not been reported to this office. If any work has been done on this well please send in a Form C-103 reporting all work done.

Sincerely yours,

herry Dolyneauf

Sherry A. Molyneaux Clerk

SAM:sm