OIL CONSERVATION COMMISSION

207 CARPER BUILDING

ARTESIA, NEW MEXICO

December 18, 1959

The Darcy Corporation 4409 West 17th Street Lubbock, Texas

> Re: Federal Boyd Well No. 1, Unit M, Sec. 10-16S-30E, Eddy County, New Mexico

Attention: C. B. Muller

Gentlemen:

In response to your request we have made a limited study of the subject well and the surrounding area to determine whether or not this well is producing from the West Henshaw-Grayburg reservoir, and it is our feeling at this time that this well is producing from the aforementioned reservoir. Therefore, this well will be prorated with the West Henshaw-Grayburg Pool with an allowable of 2000 MCFGPD times top unit allowable for the pool. This is the only allowable which can be given to you without notice and hearing.

If you have any questions concerning this matter do not hesitate to call upon me.

Very truly yours,

OIL CONSERVATION COMMISSION

M. L. Armstrong Supervisor, District No. 2

MLA/bh