



YATES DRILLING COMPANY

YATES BUILDING - 207 SOUTH 4TH ST. - (505) 746-3558

S. P. YATES,
PRESIDENT

B. W. HARPER,
SEC. TREAS.

JACK W. McCAW,
ASST. SEC. TREAS.

ARTESIA, NEW MEXICO 88210

June 21, 1977

RECEIVED

JUN 22 1977

**D. C. C.,
ARTESIA, OFFICE**

Oil Conservation Commission
Drawer DD
Artesia, New Mexico 88210

ATTENTION: Mr. W. A. Gressett

Re: Kelly A State, Lse. no. B-9222
Well #4, Section 19, T18S, R29E
Eddy County, New Mexico

Gentlemen:

The subject well was returned to production December 1976 for the purpose of establishing its producing rate. The well has only surface casing in it and does not have any production casing, as is the case with a large number of wells in the adjacent Artesia unit. At this time we have in process steps to bring the subject well into the Artesia Metex Unit. Until such steps are completed Yates Drilling Company, as Operator of the lease, hesitates to run casing and attempt a completion of the well at its own expense because of the chance that the results of the completion may complicate the procedures by which the tract will enter the Metex Unit. We anticipate that we will have the process of bringing the subject lease into the Metex Unit completed within two to four months. We would therefore request from the Commission that we be temporarily allowed to continue production from the well as it is presently completed.

We will keep you posted as to our progress in attempting to bring the well into the Artesia Metex Unit.

Yours truly,

YATES DRILLING COMPANY

By: *Rayton Yates*
Rayton Yates

PY:jg