



YATES BUILDING - 207 SOUTH 4TH ST.
ARTESIA, NEW MEXICO - 88210

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RECEIVED

November 8, 1973

NOV - 8 1973

O. C. C.
ARTESIA OFFICE

Mr. W. A. Gressett
District Supervisor
New Mexico Oil Conservation Commission
Drawer DD
Artesia, New Mexico

RE: Authorization for Test Production
Federal "CX" No. 1 - Undesignated Eddy County

Dear Mr. Gressett:

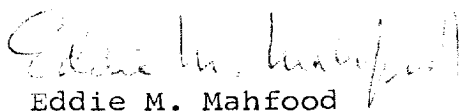
The Federal "CX" No. 1 is a Cisco discovery well located in Unit H, Section 7-T18S-R25E, Eddy County. In the process of treating and testing multiple perforated stringers in this well, we have accumulated in excess of 250 barrels of condensate in the last four days. Further treating and testing is needed to properly evaluate the well potential since considerable fluid was lost to the formation. Storage of produced condensate is running short.

Authorization is requested for a permit to sell this production to Navajo Crude Oil Purchasing Company, No. Freeman Avenue, Artesia, New Mexico 88210. Completion Report will be filed with the USGS within the next few days.

It is anticipated that approximately 1000 barrels of condensate will have been produced before the well can be potentialed. Will you please advise Navajo of the permit approval so that they can run this production in the morning.

Thank you!

YATES PETROLEUM CORPORATION


Eddie M. Mahfood
Engineer

EMM:ct