

# Oil Conservation Commission

321 Carper Building

Artesia, New Mexico

May 7, 1956

Mr. Claude G. Hall  
Box 2841  
Midland, Texas

Re: Magnolia-State, No. 1, SW NW  
Sec. 16-18S-31E, North Shugart  
Pool, Eddy County, New Mexico

Dear Sir:

It has just occurred to me that the lease number which you have shown on Form C-101, Notice of Intention to Drill, is probably Magnolia Petroleum Company's lease number since it is N. M. 987. Please furnish this office with the correct State Land Office Oil & Gas Lease Number. Also I wish to call your attention to the fact that you proposed to run 800' of 8 5/8" casing and cement with 175 sacks of cement and your Form C-101 was approved with this in mind. I note that our Scout Report for May 2, 1956, shows the well to be at Total Depth 200' in Red Bed and Waiting on Cement on 8 5/8" casing at 200' with 100 sacks of cement.

If the Scout Report is correct, it will be necessary that you run a volume of cement adequate to return to the shoe on the 8 5/8" casing in order to protect a fresh water zone which exists in the interval between 700' and 800' in this area; and also notify this office 12 hours in advance of cementing the 5 1/2" casing in order that we can be on hand to witness the operations.

Very truly yours,

OIL CONSERVATION COMMISSION

L. A. Hanson  
Supervisor, District No. 2

LAH/kw

cc: Oil Conservation Commission  
Box 871  
Santa Fe, New Mexico

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