

OIL CONSERVATION COMMISSION

207 CARPER BUILDING

ARTESIA, NEW MEXICO

May 10, 1960

Southwestern, Inc.
P. O. Box 1116
Lovington, New Mexico

Attention: Mr. T. J. Hollis, President

Re: Application for Back Allowable,
CEM Oil Fed. 1-B, 29-19-31, Unde-
signated Pool, Eddy County, N. M.

Gentlemen:

We are in receipt of the subject application, however, there are several questions concerning this situation which must be answered before we can process the application. First, the form shows that the under-production occurred in March. If this is the case, the application must be disallowed as all applications for March back allowable were to be received no later than April 30, 1960. (Your application arrived May 5.) Second, you need to show more specifically how the under-production occurred, as Cactus Petroleum, Inc., was not itself purchaser prorating during the month of March. It may be that Cactus is in turn selling the oil to one of the prorating companies. If so, please show that company. Further, we have no C-115's on file showing the production of this well for any month so far this year. As you may know, effective March 1, 1960, one (1) form C-115 must be sent to this district office as well as to all offices to which these forms have previously been supplied.

No action can be taken on your application until the foregoing questions have been answered and form C-115 submitted. If you have any questions concerning this matter do not hesitate to call me.

Very truly yours,

OIL CONSERVATION COMMISSION

R. L. Stamets
Geologist

RLS/bh