

*Copy to SF 4-21-67*

*well file*

HENRY ENGINEERING  
*Petroleum Engineers*  
 807 FIRST NATIONAL BANK BUILDING  
 MIDLAND, TEXAS 79704

April 17, 1967

RECEIVED

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O. C. C.  
ARTESIA, OFFICE

State of New Mexico  
 Oil Conservation Commission  
 P. O. Drawer DD  
 Artesia, New Mexico 88210

Attention: Mr. W. A. Gressett  
 Supervisor, District No. II

Re: David Fasken  
 Ross-Federal No. 1  
 NM-0207950

NE SW 4-21s-24e

Dear Mr. Gressett:

This is in response to your letter of April 12, 1967, in which you have inquired about Form C-104 on the subject well. During the latter part of October 1966, our client, Mr. David Fasken, entered into an agreement with Warton Drilling Company to furnish them rig fuel while drilling his Shell-Federal No. 1 in Sec. 5, T-21-S, R-24-E, Eddy County, New Mexico.

During the course of drilling the Shell-Federal No. 1, the amount of gas produced from the Ross-Federal No. 1 and sold to Warton Drilling Co. is as follows:

<u>1966</u>	
October	204 MCF
November	4590 "
December	<u>2601</u> "
Total	7395 MCF

The necessary forms were filed with the Oil and Gas Accounting Commission recording the sale of this gas and the taxes on same have been paid by Mr. Fasken.

The Ross-Federal No. 1 is currently listed as a "shut-in" gas well. Form C-104 will be filed with the commission when we are successful in establishing a market for the gas in the future.

If additional information is required, please advise.

Yours very truly,  
 HENRY ENGINEERING

*I. D. McCarty*  
 I. D. McCarty

IDM:bg

April 12, 1967

Mr. David Fasken  
608 First National Bank Bldg.  
Midland, Texas

Re: Ross Federal #1-S, 4-21S-24E

Dear Mr. Fasken:

It has come to our attention that the subject well was produced during October, November and December, 1966. However, this office has no record of an approved Form C-104 for the well, therefore it appears it was produced in violation of The New Mexico Oil Conservation Commission Rules and Regulations.

Please submit a letter stating who transported the the gas and what it was used for.

In the future be sure that all of the necessary forms have been filed and approved prior to producing any completed well.

Very truly yours,

OIL CONSERVATION COMMISSION

W. A. Gressett  
Supervisor, District No. II

WAG/bh