

L. P. Thompson
Division Manager
Production Department
Hobbs Division
Western Hemisphere Petroleum Division

Continental Oil Company
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June 29, 1976

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

Attention: Mr. W. A. Gressett

Dear Sir:

Levers Federal No. 1-E - Levers Federal No. 2-R - Sec. 21, T-21S,
R-25E, Eddy County, New Mexico

Attached for your consideration and processing is the sundry report, form C-103, attesting to the capability to produce for Levers Federal No. 1, and the request for allowable, form C-104, with supporting acreage dedication, form C-102, and inclination report for Levers Federal No. 2.

Orifice meters are installed downstream from the separator for each well for the purpose of allocating gas production. A schematic of this installation is attached to show the measurement prior to commingling.

Please contact this office if further clarification is necessary.

Yours very truly,

L. P. Thompson

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Division Manager

CB:dlh
Enc.