



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

RECEIVED

JUL 07 '88

GARREY CARRUTHERS  
GOVERNOR

July 5, 1988

O. C. D.  
ARTESIA, OFFICE

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Kerr-McGee Corporation  
P. O. Box 250  
Amarillo, Texas 79189

Attention: Peggy Pinckert

Re: Martha Creek Well No. 2, H-30-21S-24E,  
Indian Basin-Morrow Pool

Dear Ms. Pinckert:

In response to your letter of June 28 we have reviewed the data on the subject well and pool. We concur with the conclusions expressed in your letter and have adjusted allowables to what they would have (and should have) been had the well not been reclassified in the September, 1987 proration schedule. The net result is that 387,346 MCF is being added to the July allowable and will be included in the well status shown in the August proration schedule.

Your bringing this matter to our attention is much appreciated. Our proration system is designed to inhibit gas production/marketing only to the extent necessary to protect correlative rights or to prevent waste. If operators will help us as you have done, the system should work well.

Sincerely,

V. T. LYON,  
Chief Petroleum Engineer

VTL/dr

cc: Mike Williams