



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

JERRY APODACA
GOVERNOR

NICK FRANKLIN
SECRETARY

June 15, 1978

RECEIVED

JUN 19 1978

O. C. C.
ARTESIA, OFFICE

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Delta Drilling Company
P. O. Box 2012
Tyler, Texas

Attention: Mr. R. Dale Keadle

Re: 1978 Plan of Development
South Culebra Bluff Unit
Eddy County, New Mexico

Gentlemen:

Reference is made to your 1978 Plan of Development for the South Culebra Bluff Unit Area, received in this office June 14, 1978.

The plan, which calls for the drilling of two new wells and re-entry and final completion of Unit Well No. 1, is hereby given only partial approval.

We do not feel that the overall plan, which calls for re-entry and final completion of Unit Well No. 1 only after completion of Unit Well No. 2 but prior to December 31, 1978, is adequate.

You will recall that approval was given for "completion" of the Unit Well No. 1 in its present condition on January 26, 1978, for a period not to exceed six months. We anticipated at that time that six months of unrestricted production into the pipeline would lower the reservoir pressure to such level as would make killing the well and final completion possible, although you advised us that you thought this work could be done in the latter half of June, or within five months.