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UNITED STATES DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

P. O. Drawer U Artesia, New Mexico 88210 MAR 3₁ 1972

O. C. C.

March 30, 1972

Blackrock Oil Company 1000 V & J Tower Midland, Texas 79701

Gentlemen:

This refers to your well No. 1 Bates McIntyre on Federal oil and gas lease NM-7814-A, located 1980/N 660/E sec. 9, T. 6 S., R. 27 E., N.M.P.M., Chaves County, New Mexico.

You are requested to submit a subsequent report (form 9-331 in quintuplicate) in detail of completion work performed between your reports of December 23, 1971 and March 20, 1972. Evidently there was testing, cement squeeze, et cetera that was not reported.

Also, the original dedication plat (N.M.O.C.C. form C-102) was for 80 acres (Devonian Oil). Gas well spacing for Pennsylvanian and older formations is 320 acres. Therefore, it will be necessary to submit another dedication plat, dedicating 320 acres according to N.M.O.C.C. Rule 104 BI (a). Note that the N½ of the section would result in the well being an unorthodox location, and would have to be approved as such by the N.M.O.C.C.; but, the E½ would result in an orthodox gas well location. Either 320 acre spacing unit would require communitization of all leases involved before the N.M.O.C.C. would grant a pipeline connection.

Also, it is doubtful that the U. S. Geological Survey would approve of the salt water disposal system due to volume, method, and extensive section of open-hole involved.

Sincerely yours,

(Orig. Sgd.) ROBERT L. BEEKMAN

Robert L. Beekman Acting District Engineer

cc: N.M.O.C.C., Artesia / Roswell

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