

50 YEARS



TONEY ANAYA  
GOVERNOR

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

September 2, 1986



1935 - 1985

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

Mr. V. H. Westbrook  
P. O. Box 2264  
Hobbs, New Mexico 88240

Re: Kinahan Federal No. 1-O-20-15S-30E,  
Chaves County, New Mexico

Dear Mr. Westbrook:

Your application dated August 6, 1986 for hardship classification of the captioned well and Mr. Sexton's response of August 8 have been received in this office. Your case has been set for hearing by examiner October 8 in Santa Fe.

In the interim, it is suggested that you be prepared to present evidence on the following points:

- 1) The liquid gravity and gas-oil ratio. You may be able to classify the well as an oil well, and the casinghead gas would then carry a priority second only to the hardship gas.
- 2) The mechanical integrity of the well. A casing leak is suspected because of the sudden water entry.
- 3) The minimum flow rate which would prevent permanent damage or loss of reserves producible from the well and reservoir. It is suggested you schedule a minimum flow rate test with our Hobbs District Office.

Yours very truly,

VICTOR T. LYON,  
Chief Engineer

cc: Cabot Corporation - Amarillo, Texas  
Jerry Sexton - Hobbs, New Mexico  
Michael E. Stogner - Santa Fe, New Mexico

*File w/ well*