STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

GARREY CARRUTHERS

October 25, 1990

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

Kelt Oil & Gas Co. Attn: Mark A. Degenhart

P.O. Box 1493

Roswell, NM 88202

Re: Wells Producing Without Assigned Allowable

Gentlemen:

Production is being reported on Form C-115 for the month of July & Aug.1990 for well/wells listed below; although, according to our records, there is no assigned allowable.

Pool	Lease Name	Well #	<u>UL-Sec-Twp-Rge</u>
Cato San Andres "	Cato San Andres Unit "	* #5 * #6	L2-8-30 N2-8-30
р	17	* #7 ** #137	M2-8-30 F22-8-30
In order than an allowable	may be assigned, please		

* -- Monthly operator's report, Form C-115, Nov. 1989. ** -- Gas/oil ratio test --Form C-116-- marked "special"

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I

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P.S. -- Mark if you are unable to get the production for Nov. 1989 for the #5,#6, that were operated by MWJ prior to going into the unit, please make a statement to us and request that the allowable be reinstated.