H. L. BROWN, JR. Paragon Tower, Suite 412 600 N. Marienfeld Post Office Box 2237 Midland, Texas 79702 915 683-5216

July 6, 1982

Oil Conservation Division Energy and Minerals Department State of New Mexico P. O. Box 1980 Hobbs, New Mexico 88240

Attention: Jerry Sexton

Gentlemen:

Re: VLS No. 1, Roosevelt County, New Mexico

I am in receipt of your letter of June 29, 1982, regarding the potential test on the subject well. I have reviewed the work done by Mr. Jernigan and Mr. Spruell. I will relate below how the test was conducted.

I am amending the original C-105 to reflect what the test indicated. Mr. Jernigan has informed me that he collected 36 barrels of produced 69.7° condensate in a test tank in four hours. This test was confirmed by the test separator meter. The gas produced during the four point test amounted to 1944 MCF. This would give a daily rate as reflected in the C-122 of 11,673 MCF. This would mean the gas-oil ratio would be 54,000 cubic feet per barrel.

In order to fully understand your inquiry, I talked with your office on July 1. At the time I was asked to send two additional survey plats showing the 320 acre allocation unit. These plats are enclosed. This allocation was granted in New Mexico's Order No. R-6931.

If I can be of further service on this matter, please let me know.

Very truly yours,

Man

James L. Flinn Production Manager

JLF/ed Encs.