OIL CONSERVATION

March 18, 1966

Texaco Inc. Drawer 728 Hobbs, New Mexico 88240

Attention: Mr. Dan Gillett

Gentlemen:

Reference is made to your letter dated March 2, 1966, wherein you request authority to complete your State of New Mexico "DB" Well No. 1 located in Unit B of Section 25, Township 20 South, Range 35 East, Les County, New Mexico, as a tubingless completion in an undesignated Atoka Gas Pool.

It is our understanding that 2 7/8 inch casing has been set at 11,990 feet and performed in the Atoka formation in the interval from 11,378 feet to 11,611 feet. Said casing string was comented with 1450 sacks of cament and the top of the coment is at 7200 feet by temperature

Texaco Inc. is hereby authorized to complete the subject well in the aforesaid manner, provided, however, that if any difficulties arising from corrosion should develop, we may require that additional cement be placed on the 2 7/8 casing to come back into the intermediate casing string.

Very truly yours,

ALP: DSN:sg

A. L. PORTER, Jr. Secretary-Director

cc: Oil Conservation Commission (with enclosure) - Hobbs Oil & Gas Engineering Committee - Hobbs Well File