

*Called
John Meyer
12-16-88*



GARREY CARRUTHERS
GOVERNOR

9-20 '88 *Called Sandra for
copy of NSL application*

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

August 22, 1988

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

Read & Stevens, Inc.
P.O. Box 1518
Roswell, NM 88201

Attn: Sandra Sandoval

Re: Laurie D. Federal #1-A (660/N & 990/E)
Section 15, T20S, R34E

Gentlemen:

The above-referenced well was completed as a Laguna Valley-Morrow gas well with the unorthodox location approved by NSL-2256. This well was also completed in the Bone Spring zone and comes under the Lea-Bone Spring Pool which has special spacing rules (80-acres with well located within 150 feet of center of any qtr/qtr sec.)

I believe Evelyn Downs of this office advised you of the need for approval of the unorthodox Bone Spring location by phone in July and you indicated an application for approval of the unorthodox Bone Spring completion would be forthcoming. As of this date we have not received a copy of this application in our office and Santa Fe indicates they have not received a request for such approval.

Your allowable for the Lea-Bone Spring completion cannot be approved until you have obtained approval of the unorthodox location. Your prompt attention to this matter is required.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

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P.S. Also, a packer leakage test is required on multiply completed well and we have no record that one has been submitted for this well. Please file one immediately.