The Chio Cil Co. COC

NEW MEXICO OIL CONSERVATION COMMISSION P. O. Box 2045 Hobbs, New Mexico

Gentlemen:

Pursuant to your Order No. R-586 in Case No. 728, we enclose herewith, in duplicate, Form C-105, together with the additional items identified below, regarding our J. L. Muncy Well No. 1 located in SE/4, SE/4 of Section 24, T-22-S, R-37-E, Lea County, New Mexico.

The Tubb Marker, as designated in Order R-464, appears in this well at a depth of 5920 feet. The casing in this well is perforated from a point within the common source of supply designated as the Tubb Gas Pool to a point 50 feet below the vertical limits of the Tubb Gas Pool, as defined in Order R-464 and Order R-586. Such perforations do not extend into the Drinkard formation; however, the well is dually completed as a gas well with perforations as stated above and as an oil well producing through the tubing from the Drinkard formation below a packer which is set at a depth of 6460 feet. Based upon such facts as are available to us at this time, it is our recommendation and request that said well as completed above the packer be assigned to the Tubb Gas Pool and treated for all purposes as though such completion is entirely within the Tubb Gas Pool.

Until further direction from the Commission, we will continue to treat the well as completed above the packer as a gas well in the Tubb Gas Pool.

Yours truly,

THE OHIO OIL COMPANY

D. L. Province Superintendent

ENCL: