



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

BRUCE KING
GOVERNOR

April 30, 1991

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

Baber Well Servicing Company
P.O. Box 755
Hobbs, NM 88240

Attn: Mark D. Clarke

Re: TA'd Wells
Marshall #1-M 19-23-33 Cruz Delaware Pool
New Mexico BZ State NCT-5 #1-D 29-21-35 San Simon Yates Assoc. North
New Mexico BZ State NCT-5 #2-C 29-21-35 San Simon Yates Assoc. North

Gentlemen:

A check of the wells listed in your letter indicates no production is being reported for the above-referenced wells.

If you are producing the Marshall #1 you need to file the following forms so an allowable can be assigned:

- 1) C-103 showing well has been returned to production
- 2) C-104 designating transporters of oil and gas
- 3) C-116 Gas/oil ratio test
- 4) C-115 -- report production

Enclosed you will find a copy of a letter from Kath Harper dated June 8, 1990, stating that the production reported for this well in January and February 1990 was reported in error.

The New Mexico BZ State NCT-5 #1 and #2 are not listed on your C-115 Report. In fact none of the wells on that lease are listed. You should be listing them even though they are not producing. If the #1 and #2 are actually producing you need to send in a gas/oil ratio test, Form C-116, to get an allowable and then show production on your C-115 Monthly Operator's Report.

We concur that the New Mexico DL State #1-I 18-23-33 and the Howse C #1-H 11-20-38 are both producing and we will remove them from the list of wells which need to be TA'd.

The Gulf State well is in Eddy County and if you have filed your subsequent plugging report I am sure it will be removed from the list.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I