



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

BRUCE KING  
GOVERNOR

March 26, 1993

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

Kelton Operating Corporation  
P.o. Box 276  
Andrews, TX 79714-0276

Attn: C. Dale Kelton

RE: OVERPRODUCED CASINGHEAD GAS  
Lineberry #1, Unit 1, Sec. 11, T23S, R37E  
Lea Undesignated Group 2 -- Clinebry Blinebry Pool

Gentlemen:

Effective April 1, 1993, the above-referenced well will be placed in the Cline Blinebry Pool which was created by R-9859 with a GOR of 6000/1. From the time this well was placed on production until April 1, 1993, the GOR limit for the well was 2000/1 with a casinghead gas allowable of 214 mcf/d. Beginning April 1, 1993, the casinghead gas allowable will be 642 mcf/d.

The order creating the pool did not make the special GOR limit retro-active so you will be expected to make up the casinghead gas overproduction you have accumulated by producing the well at 50% of its monthly casinghead gas allowable until overproduction is brought into balance.

If you have questions, please contact me at (505) 393-6161.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton  
Supervisor, District I

ed

cc: Alvin Tapia - OCD Santa FE  
Well File



**KELTON OPERATING CORPORATION  
POST OFFICE BOX 276  
ANDREWS, TEXAS 79714-0276  
915-523-6535**

*Lineberry - check  
w/ Santa Fe*

March 15, 1993

Mr. JERRY SEXTON

Oil Conservation Division  
Post Office Box 1980  
Hobbs, New Mexico 88240-1980

*I see if Lineberry is ready  
to be made*

Re: Lineberry Production  
Curtailment

Dear Jerry,

Per our telephone conversation March 12, 1993, please find enclosed a copy of Cumulative Casing Head Over-Production Report from Alvin Tapia in the Santa Fe office.

On February 18, 1993 Kelton Operating Corporation and Chuza Operating of Midland, Texas attended a hearing in Santa Fe to form a pool for the Lineberry, Flat C Sharp, and the Gambi leases to be called the Blinebry, West. Also we were seeking an increase in GOR to 6000 to 1 and requested that the make up period for the over-produced gas be made up over a six month period. The hearing held on February 18, 1993 was heard, however, wording had to be taken out of the application to change the pool interval to cover only the Blinebry and was continue to the March 4th hearing. At this time the application is being taken under advisement and hopefully will be ruled on in the near future.

Kelton would like to request that the discovery well, Lineberry #1, be allowed to flow and to make up the over produced gas after a ruling has been made on our hearing.

Your help in this matter would be greatly appreciated. If any additional information is needed, please contact me at the above address.

Sincerely,  
KELTON OPERATING CORPORATION



C. Dale Kelton  
President

Enclosures

CDK/clw

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO, 87504  
02/11/93

RECEIVED MAR 12 1993

KELTON OPERATING CORP.  
P.O. BOX 3090  
ROSWELL NM  
ZIP CODE 88202

CUMULATIVE CASINGHEAD GAS OVER PRODUCTION, FOR MONTH ENDING DECEMBER, 1992 PAGE 1  
POOL - OPERATOR - LEASE NAME WELL U S T R M S POOL AF CSGHD BEG CSGHD CSGHD ENDING  
L P T GOR CUM O/P ALLOWABLE PROD CUM O/P HCFM OCC CODI  
=====

LEA UND GROUP 2 POOL TOP UNIT ALLOW = 107  
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L	EBERRY	11	11	23S	37E	F	2000	1.000	12983-	6634	18650	*	24999	00BL	053	4132
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PRODUCTION ON THE WELLS LISTED ABOVE MUST BE "CEASED" UNTIL CASINGHEAD GAS OVERPRODUCTION IS MADE UP.  
QUESTIONS OR CORRECTIONS MAY BE REFERRED TO ALVIN TAPIA AT THE NUMBER SHOWN BELOW.

ALVIN TAPIA  
DATA CONTROL SPECIALIST  
TELEPHONE 505-827-5815