

SAMEDAN OIL CORPORATION  
10 DESTA DRIVE  
SUITE 240 EAST  
MIDLAND, TEXAS 79705  
(915) 688-3660

April 28, 1987

New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Re: Hughes Federal #3-N  
Section 17, T-23-S,  
R-37-E, Jalmat Gas,  
Lea County

Samedan Oil Corporation requests approval of the recompletion of the above well from the Langlie Mattix Pool into the Jalmat Gas Pool. Acreage held requires approval of a non-standard proration unit.

Back in the 70's, Samedan turned this 160 acre lease over to Getty to be put into their Hughes Federal Queen unit. A contingency in the agreement called for Samedan to have the option to "take-over" these wells should Getty ever decide to abandon the lease. All surface and down-hole equipment would revert to Samedan, as would plugging responsibilities.

A delay in an assignment by the BLM coincided with the drop in oil prices, causing a further delay in Samedan's recompletion. On December 15th, 1986, the New Mexico Oil and Gas Conservation Commission sent correspondence indicating the above well failed a pressure annulus test. Work to return the well to production or be plugged was required to be completed by February 28th, 1987.

Samedan has successfully made repairs and recompleted the well into the Jalmat Gas Pool and at this time requests the approval of a non-standard proration unit.

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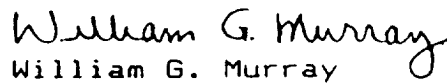
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HOBBS OFFICE

All operators owning interests in the quarter section in which the non-standard proration unit is situated and which acreage is not included within the non-standard proration unit have been sent, by registered mail, copies of this request and a waiver request to be submitted directly to the New Mexico Oil Conservation Commission. A list of such operators is attached.

Should you have any questions, please contact this office.

Yours truly,

  
William G. Murray  
Division Production  
Superintendent

WGM/rk

cc: Hobbs/Oil Conservation Commission

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