



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

February 25, 1988

GARREY CARRUTHERS
GOVERNOR

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

Sirgo-Collier, Inc.
Box 3531
Midland, TX 79702

Attn: Tim Collier

Re: Possible H₂S in Skelly Penrose B Area

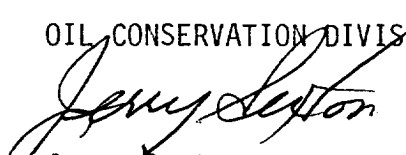
Dear Tim:

This letter serves as a reminder of our conversation concerning the fact that H₂S has been encountered while drilling some recent wells in the Penrose Area.

We trust we can count on you to implement all necessary safety measures to avoid an H₂S incident during the infill drilling you have planned for this unit.

Very truly yours,

OIL CONSERVATION DIVISION


Jerry Sexton
Supervisor, District I

JS/ED/ed