OI. CONSERVATION COMMISSION

HOBBS, NEW MEXICO

January 31, 1955

Mr. W. B. Macey Oil Conservation Commission Box F71 Santa Fe, New Mexico

Re: Proposed NSP 92

Dear Bill:

Please review my original classification of the Dalport Winters B #2 well, 7-25S-37E, whereby we recommended a 40 acre oil allowable for this well due to the fact that the GCR was 86,514. The operator has re-submitted Form C-116, showing the ratio at the present time to be 281,143.

In studying this well with Randall Montgomery, he has recommended that this well be given a 40 acre oil allowable due to the fact that it is offset to the south by an oil well in the Yates, however, the operator is in receipt of waivers from offset operators.

I believe that the present rules should be taken into consideration, whereby a well that is classified as a gas well within the vertical limits of the Jalmat pool may receive an acreage factor as requested by the operator, until such time as special field rules are promulgated for the area in question. I feel, therefore, (though I may be wrong), that we should grant the application for 160 acres on this well.

Very truly yours,

S. J. Stanley Engineer

SJS/hs

DIL CONSERVATION COMMISSION

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