

DOYLE HARTMAN

Oil Operator

SUITE 508

C & K PETROLEUM BUILDING
MIDLAND, TEXAS 79701

(915) 684-4011

October 14, 1978

Jerry Sexton
New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

Re: Phillips Goldston No. 1
G-26-24S-36E
Lea County, New Mexico

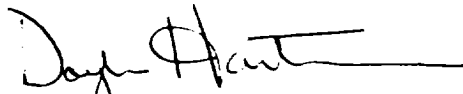
Dear Mr. Sexton :

Enclosed are six copies of the required C-102, C-104, and C-105 for our Phillips Goldston No. 1 well located in G-26-24S-36E. As you will notice from our potential test, the subject well is producing 105 BPD of formation water along with the anticipated gas production out of the Jalmat perforations between 2836 - 2958.

Since the potential test indicates a significant water volume, we request that our Phillips Goldston No. 1 be exempted from all future scheduled shut-in pressure tests in order to minimize any further water damage to our Jalmat Gas pay.

Furthermore, the Phillips Goldston No. 1 has been equipped with a pumping unit, separator, and water tank and should be hooked up to El Paso's gas system by October 23, 1978. However, we will probably not have final approval from the NMOCC in Santa Fe for a required non-standard location before November 10. Therefore, in order to prevent formation damage to the well by shutting it in for three weeks and also to prevent waste of a valuable natural resource by flaring produced gas to the atmosphere, we request permission to test and cleanup the subject well into El Paso's gas system until final approval is received for our non-standard Jalmat location.

Sincerely yours,


Doyle Hartman

DH/mv

cc: Travis Elliott
El Paso Natural Gas Company
P. O. Box 1384
Jal, New Mexico 88252