

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

April 17, 1991

RECEIVED

APR 22 1991

O. C. D.
ARTESIA, OFFICE

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Mr. Henry Musselman, President
Musselman, Owen & King Operating, Inc.
507 N. Marienfeld, Suite 100
Midland, Texas 79701

Re: Musselman, Owen & King Operating, Inc.
Smith Federal Well No. 2L, 1-22S-23E
Indian Basin Upper Penn (Pro. Gas)
Eddy County, New Mexico

Dear Mr. Musselman:

Based on recent correspondence and discussions with you, we are revising our records to show overproduction of 675,483 MCF at the end of February, 1991.

We acknowledge receipt of your April 11, 1991 request for approval to work-off this overproduction over a 24-month period. While your request is being considered, we understand that you will produce the well at less than 75% of the assigned allowable.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. Lemay".

WILLIAM J. LEMAY,
Director

JM/WJL/dr

cc: Amoco Production Company
Oryx Energy Company
Kerr-McGee Corporation
Hondo Oil and Gas
Bill Fenn, Inc.
✓ Mike Williams - OCD Artesia
Charlie Engelke - OCD Santa Fe