

RICE Engineering Corporation

122 WEST TAYLOR TELEPHONE (505) 393-9174

HOBBS, NEW MEXICO 88240

April 20, 1989

Oil Conservation Division
District 1
P. O. Box 1980
Hobbs, New Mexico 88241

Attention: Mr. Jerry Sexton

Re: American Exploration -
Henry No. 2
SE/4 SW/4 Sec. 26, T25S, R37E
Lea County, New Mexico
Justis SWD System
(AFE H-479 & H-479A)

Gentlemen:

An approval has finally been received to the liner setting depth in the above referenced well from the offset operator, Meridian Oil (formerly Doyle Hartman) as per your request in lieu of a hearing.

Attached please find a copy of Meridian's letter indicating their approval to the workover performed on the subject well as reported to your office on Form C-103 dated December 28, 1988. We hope that their approval will satisfy your requirement to clear the way towards conversion of Henry No. 2 into a salt water disposal well by completing the surface facilities.

Meanwhile, should you require additional information regarding this matter or any other compliance we need to meet, please contact our office.

Yours very truly,

RICE ENGINEERING CORPORATION



S. A. Haktanir
Division Manager

SAH/ap

Attachment