

PADILLA & SNYDER
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March 13, 1987

HAND DELIVERED

Mr. David Catanach
Hearing Examiner
Oil Conservation Division
310 Old Santa Fe Trail
Santa Fe, New Mexico 87501

Re: Application of Julian Ard for Administrative
Approval of Downhole Commingling of the South Teas Federal
No. 1 Well, 1980 FNL and 2310 FEL of Section 23, Township
20South, Range 33 East, N.M.P.M., Lea County, New Mexico

Dear Mr. Catanach:

Enclosed please find the waiver of Yates Petroleum Corporation and Enron Oil and Gas Company to the above-referenced application.

You will recall that the address of Yates Petroleum Corporation was listed in the application as being in Houston, Texas. The enclosed waiver corrects the problem which you notified us about.

At this point I would presume that the application is ready for approval and would request your earliest consideration of it.

Very truly yours,

Ernest L. Padilla/crk
Ernest L. Padilla

ELP:crk

Enclosures as stated

cc: Mr. Julian Ard
303 Main Street
Fort Worth, Texas 76102