

RETURN THIS COPY

**TO: DOYLE HARTMAN
BOX 10426
MIDLAND, TX 79702**

DOYLE HARTMAN

Oil Operator
500 NORTH MAIN
P.O. BOX 10426
MIDLAND, TEXAS 79702

(432) 684-4011
(432) 682-7616 FAX

June 6, 2003

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

ADJACENT AND DIAGONAL JALMAT OPERATORS

Stevens "A-35" Com No. 4

(Formerly Stevens "B-35" No. 1)

SW/4, W/2SE/4, SE/4SE/4

Section 35, T-23-S, R-36-E

Lea County, New Mexico

[NMOCC Order No. R-3425/280-acre Jalmat P.U.]

**Re: Notice and Waiver Request for
Simultaneous Dedication/Unorthodox Jalmat Gas Location**

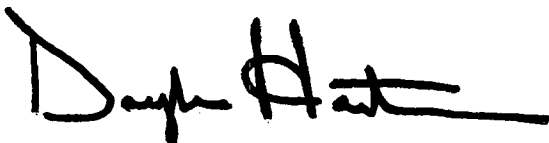
Gentlemen:

This letter shall serve as (1) our written notice and (2) request for written waiver, pertaining to our herein enclosed administrative application to the New Mexico Oil Conservation Division, for approval of our simultaneous-dedication and unorthodox Jalmat gas location applications, corresponding to the recompletion of our marginal Stevens "B-35" No. 1 Langlie Mattix well, as a Jalmat gas producer, which well is located 990' FSL and 660' FEL Section 35, T-23-S, R-36-E, Lea County, New Mexico.

If you are agreeable to granting a written waiver for our herein proposed administrative application, we respectfully request that you execute this letter (at your earliest convenience), in the space provided below, and promptly return one executed copy in the self-addressed stamped envelope enclosed herewith. The second copy of this letter, as well as the enclosed copy of our administrative application to the NMOCD, shall be retained for your files.

Yours very truly,

DOYLE HARTMAN, Oil Operator

A handwritten signature in black ink, appearing to read "Doyle Hartman", with a long horizontal flourish extending to the right.

Doyle Hartman

Adjacent and Diagonal Jalmat Operators

Notice and Waiver Request for Simultaneous Dedication/Unorthodox Jalmat Gas Location

Stevens "A-35" Com No. 4

June 6, 2003

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enclosure (1)

APPROVAL IS HEREBY GRANTED

Signature

Company Name

Date

Adjacent and Diagonal Jalmat Operators

Notice and Waiver Request for Simultaneous Dedication/Unorthodox Jalmat Gas Location

Stevens "A-35" Com No. 4

June 6, 2003

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ADJACENT AND DIAGONAL JALMAT OPERATORS

Notice and Waiver Request

Simultaneous Dedication/Unorthodox Jalmat Gas Location

Stevens "A-35" Com No. 4

(Formerly Stevens "B-35" No. 1)

SW/4, W/2SE/4, SE/4SE/4

Section 35, T-23-S, R-36-E

Lea County, New Mexico

[NMOCC Order No. R-3425/280-acre Jalmat P.U.]

- 1) BP America
Box 1610
600 N. Marienfeld
Midland, Texas 79701
Attn: Dave McKenna, Regional Manager
(Adjacent North-Offset Operator)
- 2) Penroc Oil Corporation
P.O. Box 2769 (88241)
1515 Calle Sur
Hobbs, New Mexico 88240
Attn: M.Y. Merchant, President
(Adjacent East-Offset Operator)
- 3) ConocoPhillips
4001 Penbrook
Odessa, Texas 79762
Attn: Charles Rule, Land Advisor
(Diagonal Southeast-Offset Operator)
- 4) Lewis B. Burleson, Inc.
Box 2479
200 N. Loraine, Suite 600
Midland, Texas 79702
Attn: Lewis B. Burleson, President
(Adjacent South-Offset Operator)

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June 6, 2003

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ADJACENT AND DIAGONAL JALMAT OPERATORS

Stevens "A-35" Com No. 4

(Formerly Stevens "B-35" No. 1)

SW/4, W/2SE/4, SE/4SE/4

Section 35, T-23-S, R-36-E

Lea County, New Mexico

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Simultaneous Dedication/Unorthodox Jalmat Gas Location**

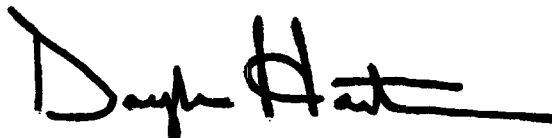
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Yours very truly,

DOYLE HARTMAN, Oil Operator



Doyle Hartman

Adjacent and Diagonal Jalmat Operators

Notice and Waiver Request for Simultaneous Dedication/Unorthodox Jalmat Gas Location

Stevens "A-35" Com No. 4

June 6, 2003

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enclosure (1)

APPROVAL IS HEREBY GRANTED

Signature

Company Name

Date

Adjacent and Diagonal Jalmat Operators

**Notice and Waiver Request for Simultaneous Dedication/Unorthodox Jalmat Gas Location
Stevens "A-35" Com No. 4**

June 6, 2003

Page 3

ADJACENT AND DIAGONAL JALMAT OPERATORS

Notice and Waiver Request

Simultaneous Dedication/Unorthodox Jalmat Gas Location

Stevens "A-35" Com No. 4

(Formerly Stevens "B-35" No. 1)

SW/4, W/2SE/4, SE/4SE/4

Section 35, T-23-S, R-36-E

Lea County, New Mexico

[NMOCC Order No. R-3425/280-acre Jalmat P.U.]

- 1) BP America
Box 1610
600 N. Marienfeld
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Attn: Dave McKenna, Regional Manager
(Adjacent North-Offset Operator)
- 2) Penroc Oil Corporation
P.O. Box 2769 (88241)
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Attn: M.Y. Merchant, President
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- 3) ConocoPhillips
4001 Penbrook
Odessa, Texas 79762
Attn: Charles Rule, Land Advisor
(Diagonal Southeast-Offset Operator)
- 4) Lewis B. Burleson, Inc.
Box 2479
200 N. Loraine, Suite 600
Midland, Texas 79702
Attn: Lewis B. Burleson, President
(Adjacent South-Offset Operator)

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Oil Operator
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P.O. BOX 10426
MIDLAND, TEXAS 79702

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(432) 682-7616 FAX

June 6, 2003

Via FedEx

Michael E. Stogner, Chief Hearing Officer
New Mexico Oil Conservation Division
1220 So. St. Francis Drive
Santa Fe, NM 87505

Re: Administrative Application for:
1. Simultaneous Dedication
2. Unorthodox Jalmat Gas Location

Stevens "A-35" Com No. 4
(Formerly Stevens "B-35" No. 1)
SW/4, W/2SE/4, SE/4SE/4
Section 35, T-23-S, R-36-E
Lea County, New Mexico
[NMOCC Order No. R-3425/280-acre Jalmat P.U.]

Gentlemen:

By copy of this letter, Doyle Hartman hereby makes application for the recompletion and simultaneously dedication of the marginal Stevens "B-35" No. 1 Langlie Mattix well (P-35-23S-36E), as the third Jalmat gas producer situated on the currently-existing 280-acre non-standard **communitized** Jalmat gas proration unit consisting of the SW/4, W/2SE/4, and SE/4SE/4 Section 35, T-23-S, R-36-E, Lea County, New Mexico (NMOCC Order No. R-3425, dated April 1, 1968). Upon approval of this application, the Stevens "B-35" No. 1 well will be renamed the Stevens "A-35" **Com** No. 4 well.

Application is also herein made for approval of the **existing** Stevens "B-35" No. 1 well location as an unorthodox Jalmat **gas** location consisting of 990' FSL and 660' FEL, Section 35, T-23-S, R-36-E, Lea County, New Mexico.

Recompletion of the Stevens "B-35" No. 1 well, at this time, will reduce the current high well operating cost, and allow for **continued** active well operations, by shutting off excessive Langlie Mattix water production. Also, and very importantly, it will facilitate the attempted recovery of otherwise unrecoverable Jalmat gas reserves, from tighter gas-productive strata (within the Jalmat

Pool interval), during the current period of economically favorable gas pricing, and corresponding period of **reduced** North American gas deliverability, and historically-low gas storage inventory levels.

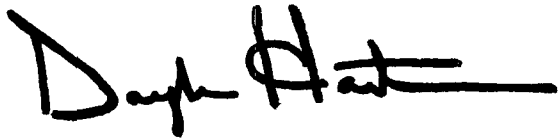
Notice of this administrative application, and our request for written waiver (as enclosed herewith), has been sent by **certified mail** to the adjacent and diagonal Jalmat operators, which operators are as follows:

- 1) BP America
Box 1610
600 N. Marienfeld
Midland, Texas 79701
Attn: Dave McKenna, Regional Manager
(Adjacent North-Offset Operator)
Certified Mail Receipt No. 7001 1140 0002 8323 1018 (Mailed June 6, 2003)
- 2) Penroc Oil Corporation
P.O. Box 2769 (88241)
1515 Calle Sur
Hobbs, New Mexico 88240
Attn: M.Y. Merchant, President
(Adjacent East-Offset Operator)
Certified Mail Receipt No. 7001 1140 0002 8323 0998 (Mailed June 6, 2003)
- 3) ConocoPhillips
4001 Penbrook
Odessa, Texas 79762
Attn: Charles Rule, Land Advisor
(Diagonal Southeast-Offset Operator)
Certified Mail Receipt No. 7001 1140 0002 8323 1025 (Mailed June 6, 2003)
- 4) Lewis B. Burleson, Inc.
Box 2479
200 N. Loraine, Suite 600
Midland, Texas 79702
Attn: Lewis B. Burleson, President
(Adjacent South-Offset Operator)
Certified Mail Receipt No. 7001 1140 0002 8323 1001 (Mailed June 6, 2003)

New Mexico Oil Conservation Division
June 6, 2003
Page 3

Very truly yours,

Doyle Hartman, Oil Operator

A handwritten signature in black ink, appearing to read "Doyle Hartman", with a long horizontal stroke extending to the right.

Doyle Hartman
Owner

cc: James A. Davidson
201 W. Wall, Suite 600
Midland, TX 79701