



April 19, 2012

VIA HAND DELIVERY

Ms. Jami Bailey, Chair
Oil Conservation Commission
New Mexico Department of Energy,
Minerals and Natural Resources
1200 South Saint Francis Drive
Santa Fe, New Mexico 87505

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Re: Case No. 14538: Application of Marshall & Winston, Inc. to cancel an operators authority and terminate a spacing unit, and approve a change of operator, Lea County, New Mexico.
Case No. 14497: Application of David H. Arrington Oil & Gas, Inc. for compulsory pooling, Lea County, New Mexico.
Order No. R-13372-D

Dear Ms. Bailey:

On January 23, 2012, the Oil Conservation Commission entered Order No. R-13372-D which, among other matters, granted the application of David H. Arrington Oil And Gas, Inc. for an order pooling the S/2 of Section 26, Township 15 South, Range 34 East, NMPM. Order Paragraph 5 provides that "Arrington shall re-enter and re-complete the well within 90 days of the entry of this order, and thereafter shall continue to re-establish production from the Morrow formation with due diligence."

The purpose of this letter is to advise the Commission that Arrington Oil & Gas, Inc. has re-entered and completed this well in the Morrow formation, is now producing gas and water from the Morrow formation and is continuing its efforts to re-establish commercial production from the well. Accordingly, Arrington can report that the conditions of Order Paragraph 5 have been met.

Very truly yours,

William F. Carr
Attorney for David H. Arrington Oil & Gas, Inc.

WFC

cc: David H. Arrington
Monty Kastner
James Bruce, Esq.