



NEW MEXICO
OIL CONSERVATION
DIVISION

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October 28, 1998

New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505
Attn: Mr. Michael Stogner - Chief Examiner

Hallwood Petroleum's
Bass #5 & #6 wells
Section 30, T20S, R33E
Hat Mesa Delaware Field
Lea County, New Mexico

Ladies and Gentlemen:

Texaco Exploration and Production Inc., as a working interest owner in the above proposed wells, wishes to advise that although it will not be testifying at the November 5, 1998 hearing, it supports Hallwood in connection with its applications in Case Nos. 12055 and 12056. In order that Texaco's correlative rights be protected, we request that Hallwood be allowed to develop this acreage at this time and that the OCD give its approval to Hallwood's APD's for the above wells. Thank you for your consideration of this request.

Very truly yours,

David L. Sleeper
Dls:jm