

Stallworth Oil & Gas, Inc.

April 20, 1981

RECEIVED

Mr. Mike Williams
State of New Mexico
Energy & Minerals Dept.
P.O. Drawer DD
Artesia, NM 88210

APR 23 1981

O. C. D.
ARTESIA, OFFICE

RE: Etz No. 2-0, 25-16-30
Eddy County, NM
Federal Lease # LC 029424

Dear Mr. Williams:

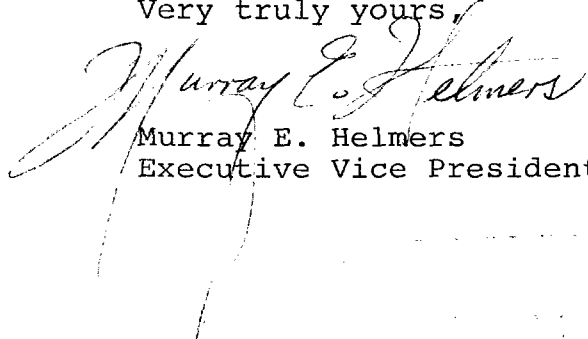
In response to your letter of April 14, 1981, we request formal approval from your Santa Fe office for expansion of waterflood activities on our captioned Etz lease.

On March 20, 1981, we provided you with a copy of our letter to the United States Department of the Interior, Geological Survey outlining our proposal to plug and abandon the southwest corner injection well No. 5 on our lease and to convert the northeast offset, inside of our lease, No. 2 producing well to an injection well. A second copy of that letter and the Sundry Notices and Reports on Wells Form 9-331, with accompanying plats, is enclosed outlining these plans.

We propose to expand this waterflood under the precedent established March 13, 1979, with Oil Conservation approval WFX #473, which provided for the similar plugging of the northwest corner injection well on this property and the subsequent conversion of The Etz No. 3 producing well to a water injection well.

We remain anxious to proceed with this project at an early date, and will appreciate receiving your approval of this work at the earliest possible time.

Very truly yours,


Murray E. Helmers
Executive Vice President

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Enclosures

cc: Mr. Carl Wheeler
Stallworth Oil & Gas, Inc.