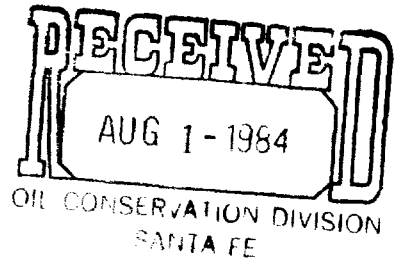


LADD PETROLEUM CORPORATION

505 N. Big Spring, Suite 302
Midland, Texas 79701
Telephone (915) 684-9975



July 27, 1984

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Attn: Mr. Joe D. Ramey

Re: Lindrith #110-E
Sec. 10, T26N, R7W
Rio Arriba Co, New Mexico
Santa Fe 079161

Dear Mr. Ramey:

The above captioned well is a dually completed well producing from the Dakota and Gallup formations. The Gallup zone produces less than 1/2 barrel of condensate per day. The Dakota zone produces ± 40 barrels per day.

Your approval is requested to commingle condensate at the surface in one common tank battery. This would allow full use of existing facilities and save purchasing an additional tank to handle Dakota condensate production.

Thank you for your cooperation in this matter.

Sincerely,

*Basin Dakota
Largo - Gallup*

Clyde Phillips
Clyde Phillips
District Superintendent

CEP:bs

cc: SDG, Bud Crane

Gas A handwritten signature or mark, possibly "Gas", followed by a horizontal line and a small arrow pointing to the right.