



SIETE OIL & GAS CORPORATION

Petroleum Building Suite 200

P.O. Box 2523 Roswell, New Mexico 88202

Telephone (505) 622-2202

March 28, 1988

William J. LeMay, Director
Oil Conservation Division
State Land Office Building
P.O. Box 2088
Santa Fe, New Mexico 87504

RE: Request to Amend Surface Commingling Order PC-738; Inca Federal Lease

Dear Mr. LeMay:

In accordance with the applicable provisions of Rule 303, Siete Oil & Gas Corporation will separately meter top allowable East Shugart Delaware production and will determine non-allowable Shugart Yates Seven Rivers Queen Graygurg San Andres Pool production by the subtraction method. Commingling Order PC-738 presently states the above statement in reverse.

Attached is a revised copy of the Inca Federal Battery facilities layout.

Please do not hesitate to call me for any questions @ 505-622-2202.

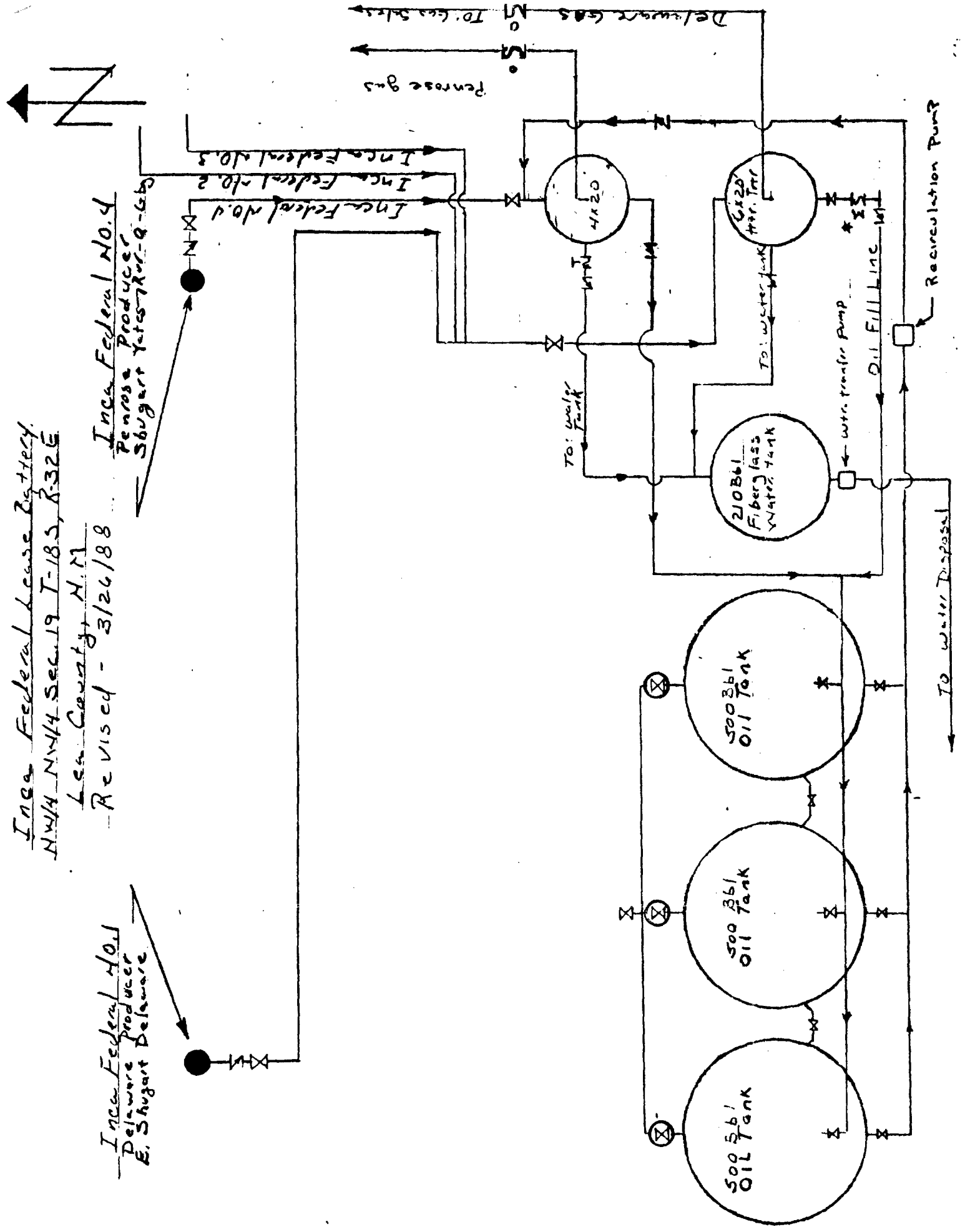
Yours very truly,

Eddie Rodriguez
Production/Reservoir Engineer
SIETE OIL & GAS CORPORATION

Inca Federal Lease Battery.
NW1/4 NW1/4 Sec. 19 T-18S, R-32E
Len County, N.M.
Revised - 3/26/88

Inca Federal No. 1
Delaware Producer
E. Shugart Delaware

Inca Federal No. 4
Penrose Producer
Shugart Test No. 9-66



Legend: * - Non-reset meter

Drawn by: Eddie Rodriguez