



BRIDGE OIL (U.S.A.) INC.

Manager for
PETRUS OIL COMPANY, L.P.
PIN OAK PETROLEUM, INC.

RECEIVED

MAR 27 '89

March 22, 1989

J. D.
ARTESIA, OFFICE

Oil Conservation Division
District II
P. O. Drawer DD
Artesia, NM 88210

Attn: Mike Williams
Supervisor, District II


Re: Brantley B Oil Com #1
Ut J 24-23S-28E
Eddy County, New Mexico

Dear Mr. Williams:

In response to your letter dated March 1, 1989, concerning our intentions for the disposition of the gas on the above captioned well, Petrus is working to obtain an economical market for the casinghead gas. Our marketing department obtained the enclosed tie-in proposal from El Paso and they are currently evaluating it along with other options. The decision should be made early this spring.

Please advise if we need to obtain an Exception to Rule 306 to allow us to continue producing the well until the market situation is resolved.

Sincerely,


Suzann J. Welch
Regulatory Coordinator