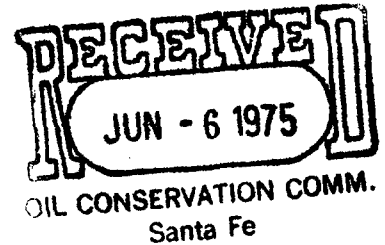


SHELL OIL COMPANY

P.O. BOX 991
HOUSTON, TEXAS 77001



June 3, 1975

Subject: Application for Downhole Commingling
for State Section 2 Lease, Well No. 5,
Unit Letter T, Located 1880' FSL &
560' FWL Sec. 2, T-21-S, R-37-E,
Lea County, New Mexico

New Mexico Oil Conservation Commission (3)
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. C. G. Ulvog

Gentlemen:

Confirming the telephone conversation of May 29, 1975 between Mr. C. G. Ulvog and Mr. B. W. Best, Shell's State Sec. 2 Lease, Well No. 1 (producing from the Drinkard pool) will be temporarily abandoned. Upon completion of State Section 2 Lease, Well No. 5 in the Drinkard pool, Well No. 1 will be shut-in pending recompletion in other zones and/or use in secondary operations.

If we can be of further assistance, please contact us.

Yours very truly,

For: R. L. Howard
Division Production Manager
Mid-Continent Division

BWB:NPK

cc - New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico