



GARREY CARRUTHERS
GOVERNOR

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

P.O. DRAWER DD
ARTESIA, NEW MEXICO 88210
(505) 748-1283

July 21, 1988

Quanico Oil & Gas, Inc.

P.O. Box 1714

El Dorado, Arkansas 71730

Re: Latham State #1

Ut. P Sec.25-10S-26E

Chaves County, New Mex.

Gentlemen,

According to our records your Exception to No-Flare Rule 306 has expired.

Please notify this office immediately of your intentions for the disposition of the gas on the subject well. Failure to do so could result in cancellation of allowable.

If you have any questions concerning this matter please feel free to call me.

Sincerely,

A handwritten signature in cursive script that reads "Mike Williams".

Mike Williams
Oil & Gas Inspector

MW:br