

DOYLE HARTMAN

Oil Operator
500 NORTH MAIN
P.O. BOX 10426
MIDLAND, TEXAS 79702

(915) 684-4011
(915) 682-7616 FAX

February 12, 2001

State of New Mexico
Energy, Minerals and Natural Resources Department
New Mexico Oil Conservation Division
811 South First St.
Artesia, NM 88210

Attn: Bryan Arrant

Re: NMOCD Form C-103, Dated February 12, 2001
Doyle Hartman-Operated State "BV" No. 1 Well
S/2 Section 25, T-17-S, R-28-E
South Empire Morrow Pool
Eddy County, New Mexico
[State of New Mexico Lease No. XO647-394 (Formerly Lease No. 647)]



Gentlemen:

Reference is made to the just-completed wellbore repair work and fracture stimulation of the Doyle Hartman-operated State "BV" No. 1 well, located 1800' FSL and 1980' FEL, Section 25, T-17-S, R-28-E, South Empire Morrow Pool, Eddy County, New Mexico.

Reference is also made to Doyle Hartman's letter, to Duke Energy Field Services, L.L.C. (Duke), dated February 8, 2000, regarding Duke's improper notice, of January 24, 2001, that it will disconnect our State "BV" No. 1 gas meter, effective March 1, 2001, due to an alleged (but unsubstantiated) "increased oxygen content" corresponding to our State "BV" No. 1 well.

In regard to our just-completed \$825,000 State "BV" No. 1 wellbore repair and fracture stimulation, and Duke's subsequent improper threat to disconnect (remove), for yet unsubstantiated reasons, our State "BV" No. 1 gas sales meter, effective March 1, 2001,



Mobile Analytical Laboratories

LABORATORIES IN ODESSA, GIDDINGS & STACY DAM

February 7, 2001

WEST UNIVERSITY AND WESTOVER STREET

P.O. BOX 69210

ODESSA, TEXAS 79769-0210

PHONE (915) 337-4744

FAX (915) 337-8781

Mr. Doyle Hartman
Hartman Oil
500 North Main Street
Midland, Texas 79701

Sample ID: Trip No. 140
State BV #1 System 0681
Meter Run 76019-00
Sampled 02/06/01

Oxygen

ppm

10

Method - Oxygen by Teledyne

We appreciate the opportunity to work with you on these tests. If you have any questions or require any further information, please feel free to contact me at any time.

Sincerely,

Stephen Reid
SR/jl