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JUN 5 1969

O. C. C.  
ARTESIA, OFFICE

AMARILLO OIL COMPANY

P. O. BOX 151

AMARILLO, TEXAS 79105

June 4, 1969

J. A. TIPTON  
Production Superintendent

Mr. W. A. Gressett  
New Mexico Oil Conservation Commission  
P. O. Drawer DD  
Artesia, New Mexico 88210

Dear Sir:

We are in receipt of your letter dated May 23, 1969, Notification of Cancellation of Allowable for our Southern Federal Lease, Section 30-19-31, Eddy County, New Mexico, for failure to comply with Commission Order R-3221.

**#3 SI** ~~We have determined that the water produced on the lease is~~  
~~is 90% from Well #3 and have this date shut the well in.~~ It  
is respectfully requested that the allowable for Wells 1, 2,  
4, 5, 6 and 7 be reinstated with the understanding that  
Commission Order #R-3221 will not be violated.

Very truly yours,

  
J. A. Tipton

JAT/cb