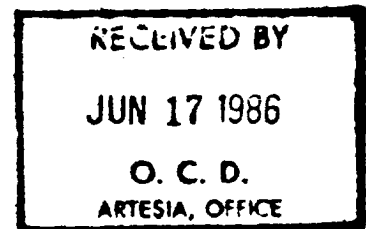


EXXON COMPANY, U.S.A.
POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

PRODUCTION DEPARTMENT
SOUTHWEST/ROCKY MOUNTAIN DIVISION



June 16, 1986

Emergency Flare Permit
Palmillo Upper Penn Pool
Millman-Queen-Grayburg-
San Andres, East Pool
Eddy County, New Mexico

Mr. Les Clements
Artesia District Supervisor
New Mexico Oil Conservation Division,
District 2
Artesia, New Mexico 88210

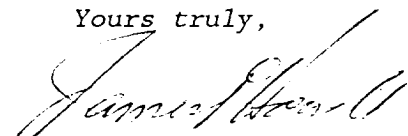
Dear Mr. Clements:

Per your June 12, 1986 conversation with our Bill Duncan, Exxon was notified on June 11, 1986 that the Conoco-operated Turkey Track Booster Station had been shut down on the evening of June 8, 1986 for repairs. The repairs and system modification to the compressor station are expected to last approximately two weeks.

Exxon has five low GOR wells that will be affected, and we request permission to continue to produce them and to flare the associated gas during the shutdown. This letter is to confirm our verbal request and your approval.

The attached table contains data on the wells and the casinghead gas sales which will be affected. Please contact Rick Shephard at (915) 686-4103 or Bob Vandervoort at (915) 523-3215 if you have any further questions.

Yours truly,



James D. Howell

JDH:ssf

Attachment

*NOTE I GAVE VERBAL OK ON THIS
ON JUNE 12th from Santa Fe*

