

TAHOE ENERGY, INC.



PHONE (915) 697-4173 • 3909 W. INDUSTRIAL AVE. • MIDLAND, TEXAS 79703

March 8, 1991

RECEIVED

MAR 11 1991

O. C. D.
ARTESIA, OFFICE

State of New Mexico
Oil Conservation Division
P. O. Drawer DD
Artesia, N.M. 88210

Re: Copy of Application for Approval to
Maintain a Water Pit,
Tahoe Energy, Inc., Hale Federal Com. #2
NE/4, SW/4, Sec. 22, T-20-S, R-30-E
Eddy County, New Mexico
Com. Agreement No. SW-699
Lease No. LC-063610

Gentlemen:

Enclosed please find a copy of Tahoe's Application for Approval to Maintain a Water Pit on the above captioned lease. The original application was sent to The U.S. Department of the Interior, Bureau of Land Management on January 28, 1991. Mr. Ronnie Martin of our office attended a meeting that the Bureau of Land Management had on March 4, in Artesia. This meeting was to clarify existing rules and inform local oil and gas operators of new or amended rules. While attending this meeting, Mr. Martin was informed that the above Application should have been filed with New Mexico Oil Conservation Commission office first. After the approval from the New Mexico Oil Conservation Commission then the application is to be filed with the Bureau Land Management.

Please consider the enclosed application for approval. If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,

Kenneth A. Freeman/jt

Kenneth A. Freeman
President

KAF/jt

Encl.