

c/s r

RussLynn Properties LLC

509 Carter Drive
Roswell, NM 88203
505-622-4772



Mr. Tim Gum
NMOCD
Artesia, NM 88210

RE: Moo Cow State #1
3100' FSL & 660' FEL
Sec6-21s-27e
Commingle request

Mr. Gum:

February 6, 2001

This well was drilled by OXY in 1998 to a depth of 11530'. 4-1/2" casing was set to TD. Oxy tubing conveyed perfs in the Strawn @ 10096'-10100'. They deemed the well not commercial. RussLynn Properties LLC purchased the property in the summer of 2000. The well has been producing since the middle of August. It currently is making approx. 300 mcf per month, but can probably maintain that rate for a considerable time.

It has been determined that the well has a near well bore fracture, but a low permability zone feeding the fracture. If we release the packer the fluid from the annulus will be dumped on the formation and probably loose what production we have. The packer that OXY used is a Baker Loc-set. The tubing conveyed guns system usually make the packer where it will not release. Therefore we will have to cut over the packer and jar it out of the hole.

Since there is no guarantee that we will have an increase in production from the lower zones, we do not want to loose what production we have and put the lease in jepardy.

What we are proposing is to add additional perforation in the Morrow and Atoka sections by perforating on wireline though tubing. If we see an increase in production, at that time we can risk getting the packer out of the hole and run a packer and bridge plug to acidize the new perfs and then put all zones together is currently

Thank you for your consideration for the above request.

Thank you,

William R. Hansen