

VISION ENERGY, INC.

P.O. BOX 2459 • CARLSBAD, NM 88221-2459 • (505) 236-6041

New Mexico Oil Conservation
District II Office
811 S First Street
P.O. Drawer DD
Artesia, New Mexico 88220

Attn. Mike Williams

Date: July 2, 1992

Re: Vision Energy, Inc.
H.B. 3 Federal #1
NE/4 SE/4
Sec. 3, T-24S, R-29E
Eddy County, NM

Mr. Williams

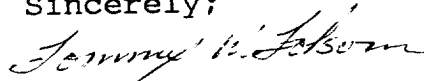
Vision Energy, Inc. received notice from the state office in Santa Fe, N.M., that the H.B. 3 Federal #1 had over produced its allowable gas production.

The well was shut in on June 23, 1992, in order to keep from over producing this month. Vision Energy, Inc. turned the well back on July 2, 1992, and are requesting permission to produce this well at 50% of its allowed gas production until over-production is even.

The H.B. 3 Federal #1 allowable is 13,480 MCFPM. Our reduced rate would be approximately 6,740 MCFPM. This should put our gas balance even in about 4 months.

Your approval of this request would be greatly appreciated. Should you need any additional information please let us know.

Sincerely;



Tommy W. Folsom
Vice President Operations
& General Manager

OK to produce well e
50% until over-production
is even

