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RECEIVED

June 19, 1991

JUN 24 1991

O. C. D. ARTESIA, OFFICE

To: Interest Owners in the Ross Draw and Brushy Draw Fields

Gentlemen:

Enclosed is a letter from the District Supervisor of the Oil Conservation Division of New Mexico (Hobbs District) regarding certain wells that are not producing in Eddy County, New Mexico.

I have held a meeting with Mr. Jerry Sexton (supervisor at Hobbs) and we have tentatively agreed on the following procedures.

Brushy Draw wells:

(The number in parentheses is the order in which we will conduct operations)

T-26-29Williamson EPUSA #1 (2) This well is listed for temporary abandonment next month.

8-35-26-29

Williamson MWJ #4 (4) Listed for plugging and abandonment.

L-25-26-29

Williamson UCBHWW Fed. #9 (5) I have listed this well for temporary abandonment because of the possibility of cable tooling the well into the Olds formation which may produce here.

K-25-26-29

Williamson UCBHWW Fed. #10 (6) This well is scheduled for temporary abandonment as it also may be cable tooled into the Olds.

Ross Draw Pool:

F-27-26-30

Williamson Ross Draw #4 (1) This well is scheduled to be plugged and abandoned as soon as approval can be obtained from all working interest owners.

N-27-26-30

Williamson Ross Draw #1 (3) Scheduled for temporary abandonment because it can be cabled tooled into the pay zone found in the shallow offset.

Williamson Ross Draw #5 (7) This well is scheduled for a completion attempt in the "Getty" sand of the Delaware series. This will be attempted as soon as the title can be straightened out, probably November, 1991. We list this as a proven producer. Some of the owners cannot be located but we are looking for them.

P-18-26-30 0-18-26-30

Williamson Abby Federal #1 and #3 (4) Both wells are scheduled for return to beneficial use. We have obtained an extension of the lease from the BLM until May 31, 1992, during which time we plan to drill another well on the S/2 of Section 28 to be completed in the Getty sand. We will also repair these two wells within this time frame and restore the lease to HBP status.