

HOLLAND & HART^{LLP}



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VIA HAND DELIVERY

Ms. Jami Bailey, Chair
Oil Conservation Commission
New Mexico Department of Energy,
Minerals and Natural Resources
1200 South Saint Francis Drive
Santa Fe, New Mexico 87505

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Re: Case No. 14538: Application of Marshall & Winston, Inc. to cancel an operators authority and terminate a spacing unit, and approve a change of operator, Lea County, New Mexico.
Case No. 14497: Application of David H. Arrington Oil & Gas, Inc. for compulsory pooling, Lea County, New Mexico.
Order No. R-13372-D

Dear Ms. Bailey:

On January 23, 2012, the Oil Conservation Commission entered Order No. R-13372-D which, among other matters, granted the application of David H. Arrington Oil And Gas, Inc. for an order pooling the S/2 of Section 26, Township 15 South, Range 34 East, NMPM. Order Paragraph 5 provides that "Arrington shall re-enter and re-complete the well within 90 days of the entry of this order, and thereafter shall continue to re-establish production from the Morrow formation with due diligence."

The purpose of this letter is to advise the Commission that Arrington Oil & Gas, Inc. has re-entered and completed this well in the Morrow formation, is now producing gas and water from the Morrow formation and is continuing its efforts to re-establish commercial production from the well. Accordingly, Arrington can report that the conditions of Order Paragraph 5 have been met.

Very truly yours,

William F. Carr
Attorney for David H. Arrington Oil & Gas, Inc.

WFC

cc: David H. Arrington
Monty Kastner
James Bruce, Esq.

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