PERMIANORESOURCES, INC.

January 29, 2001

New Mexico Energy, Minerals and Natural Resources Dept. Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Attention: Mr. David K. Brooks

Assistant General Counsel

RE: Case No. 12811

Application of the NM OCD Order Requiring Operators to

Bring 388 Wells into

Compliance with Rule 201.B

Dear Mr. Brooks:

We received your letter dated January 22, 2002 concerning the above referenced Case Number. Permian Resources, Inc. respectfully submits the following on the specified wells:

Government D Well No. 10 is a producing oil well. Permian Resources, Inc. acquired the well effective May, 2000. Well No. 10 was shut in at upon acquisition of the well. On August 9, 2000, Permian pulled the well, and returned to production and has been producing since that time. Form C-103 and amended C-115's will be filed within a week to bring Government D Well No. 10 into compliance with the Rules and Regulations of the OCD.

Malaga C Well No. 1 is a temporarily abandoned well which Permian Resources, Inc. acquired the well May, 2000. The Malaga C Well No. 1 is scheduled for a MIT next week. At that time, Form C-103 will be filed requesting TA status on this well pending engineering evaluation.

Permian Resources, Inc. wishes to advise that we fully intent to bring the wells into compliance with the Rules and Regulations of the New Mexico Oil Conservation Division.

Very truly yours

Barbara Watson

Regulatory Compliance

cc: Tim Gunn

District Supervisor

OCD

Artesia, NM

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