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April 25, 1988

Mr. William J. LeMay Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87504

Re: OCD Case 9272 Order R-8579 Mitchell Energy Corporation Compulsory Pooling Lea County, New Mexico

Dear Mr. LeMay:

Our firm represents Mitchell Energy Corporation and obtained compulsory pooling Order R-8579 which, among other things, pooled the interest of Arco Oil & Gas Company.

Thereafter, Arco Oil & Gas Company filed Case 9272 which is pending on the examiner's docket for April 27, 1987. Arco is represented by Mr. William F. Carr.

Based upon the representations made to me today by Mr. Carr that his client and mine had settled this matter and that he was dismissing Case 9272, I would appreciate you noting in Case File 9272, Order R-8579, that we are hereby deleting Arco Oil & Gas Company from the terms and conditions of the compusiory pooling order.

Thomas Kellahin

WTK:ca

cc: Mr. Larry Cunningham (Mitchell) William F. Carr, Esq.