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Leonard Kersh District Production Manager Dane Hendley District Petroleum Engineer George Faigle District Development Geologist

Production Division

Sammy Reed Production Superintendent West Texas Rocky Mountain District

May 9, 1991

Peter Chester United State Department of the Interior Bureau of Land Management Roswell Resource Area P. O. Box 1857 Roswell, New Mexico 88202

Dear Mr. Chester,

On February 19, 1991, Enserch Exploration, Inc., received notification that Communitization Agreement (CA) No. SW-568 was in the process of being terminated unless verification was received that the 2-N.M. (55) Federal was capable of production in paying quantities. Enserch has determined that this well is not economical to us and that we would like to have the opportunity to sell this well to another operator that would find the well to be economically beneficial to them. Therefore, we are asking that the No. 2-N.M. (55) Federal be classified as a Temporarily Abandoned well. This will allow for the appropriate paperwork to be completed and an attempt to divest the well to be made.

Should there be any questions or should there be a need to file any further information, please advise. Thank you for your help with this matter.

Wm. Dane Hendley

District Petroleum Enginee

TRR:

Attachment - Sundry Notice

State of New Mexico, Oil Conservation District w/ Form C-103 cc: Mr. Tim Welch, District Land Manager w/ Attachments