



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
DISTRICT I HOBBS
1625 N. French Drive, Hobbs, NM 88241
(505) 393-6161
FAX (505) 393-0720

Jennifer A. Salisbury
CABINET SECRETARY

October 20, 1999

GMX Resources, Inc
9400 N. Broadway, Ste 600
Oklahoma City, OK 73114

RE: Will 693 LTD # 4
Unit Letter J, Section 34, Township 8 South, Range 35 East

Gentlemen:

Through routine inspection it has come to our attention that the above referenced well is currently operating with a compressor hooked to the production casing outlet operating with 4 inches of vacuum. To bring the well in to compliance with OCD rule 307 the operation of this compressor needs to maintain positive pressure on the production casing.

To avoid further action, we request that you comply with the above rule with in 30 days of receipt of this notice.

Very truly yours
OIL CONSERVATION DIVISION

Billy Prichard
Deputy Inspector, District 1

Xc: Chris Williams
Gary Wink
File