

GAS PRODUCING ENTERPRISES, INC.

COASTAL STATES GAS PRODUCING CO.

CIG EXPLORATION, INC.

(Units of Coastal States Gas Corporation)

400 PERMIAN BLDG. ▪ P. O. BOX 235 ▪ MIDLAND, TEXAS 79702 ▪ (915) 682-7925



August 28, 1979

New Mexico Oil Conservation Division
P.O. Box 1980
Hobbs, New Mexico 88240

Gentlemen:

Please find enclosed copies of Form C-103 for our State "27" Well No. 2, located in Unit P of Section 27, T-14-S, R-32-E, Lea County, New Mexico. This C-103 illustrates the procedure followed converting this well to disposal in 1970, and through some oversight, this form was not filed when the work was completed.

Also enclosed are copies of Form C-104 showing the change of operator from Coastal States Gas Producing Company to Gas Producing Enterprises, Inc. This change in operator was actually effective January 1, 1976 when the change was made on a number of other leases, but the well was accidentally overlooked when the other C-104's were filed.

This well has been inactive since May, 1977, and there are no future plans to utilize this well for disposal purposes. We have received your approval to plug back and recomplete the other well on this lease, the State "27" Well No. 1, in the San Andres zones. Should this work be successful, we plan to perform the same operation on Well No. 2. If the workover on No. 1 is not successful, our current plans are to plug and abandon both wells. We anticipate that the work on Well No. 1 will be started by September 24, 1979.

Very truly yours,

A handwritten signature in dark ink, appearing to read "H. E. Clarke". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

H. E. Clarke
District Production Superintendent

HEC/DGC/skk
Enclosures

xc: File (2)