February 17, 1987

MGF Oil Corporation Post Office Box 360 Midland, TX 79702

SUBJECT: Field: Gladiola, South (Wolfcamp)

Lease: Maxwell Well: NO. 2

Location: Lea County, N.M., Sec.6, T135-R38E

Gentlemen:

Kirby Exploration is submitting to the Oil Conservation Commission, State of New Mexico, an application to convert the above referenced well to salt water disposal.

As required under the rules of the Commission, the surface owner of the subject lease and each offset operator is being furnished a copy of this application. Your copy is enclosed.

Should you have any questions, please do not hesitate to call.

Yours very truly,

James L. Kovar

Regulatory Supervisor

JLK:M Enclosure