

AMERICAN TRADING AND PRODUCTION CORPORATION

THE ATRIUM CENTRE
110 WEST LOUISIANA
SUITE 300
MIDLAND, TEXAS 79701

915/684-4463

WEST TEXAS/NEW MEXICO DISTRICT

June 4, 1987

MGF Oil Corporation
Box 360
700 Vaughn Building
Midland, Texas 79702

Re: Stallion (Devonian) Field
Coy Lowe Lease
Well No. 1
Lea County, New Mexico
Sec. 7, T-13-S, R-38-E

Gentlemen:

American Trading and Production Corporation 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,



Ben Taylor
Senior Engineer

BDT/plp

Enclosure