



American Exploration Company

35-13 37
SOON
APPROX

August 10, 1990

Re: Howard Fleet No. 5
King Penn Field
Lea County, New Mexico

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

Attn: Jerry Sexton

Gentlemen:

As per our telephone conversation as of the above date, this letter will serve as notification that the referenced well was recently drilled and completed by American Exploration Company in the King Penn Field.

At this time, American Exploration company would like to request that this well and the existing Howard Fleet Well No. 2 completed in the King Devonian Pool be surface commingled with one well being metered separately with and the remaining production allocated to the existing well.

In the interim, we will apply with the Santa Fe, New Mexico Oil Conservation Division for official commingling permission.

Very truly yours,

AMERICAN EXPLORATION COMPANY

Marty B. McClanahan
Marty B. McClanahan
Sr. Production Analyst

MBM:mm
cc: Donnie Hill