MARSHALL Pipe & Supply Company

Drilling

Producing

J. W. Marshall Dallas, Texas RESIDENCE (214) 239-7284 13423 FORESTWAY DRIVE DALLAS, TEXAS 75240 (214) 239-7284 Fax (214) 991-2731

September 29th, 1992

State of New Mexico Energy, Minerals and Natural Resources Department P.O. Box 2088 Santa Fe, New Mexico 87501

Attn: Mr. Michael E. Stogner

Re: Stoltenberg #1 (Re-Entry) Unit F, Section 26, T2S, R29E Roosevelt County, New Mexico API No. 30-041-20809

Dear Mr. Stogner:

We made application, Form C-101, to Re-enter our Stoltenberg #1 well drilled in 1986 and plugged as a dry hole, plugged December 15th, 1986.

We enclose copy of our Form C-102 showing our Stoltenberg #1 on 320 acre spacing.

Upon receipt of approval to re-enter the Stoltenberg #1 dated August 24th, 1992, we re-entered this well and have a gas well at 2920 to 2930 in the Glorieta formation. Mrs. Evelyn Downs in your Hobbs office advises that this depth producing gas formation requires 160 acre spacing. This change places the Stoltenberg #1 in an unorthodox location.

May we respectfully request administrative procedure to approve this unorthodox location.

Marshall Pipe & Supply Company is offset Operator of all leases surrounding this location with 160 acres area.

We enclose seismic map showing location of the Stoltenberg #1, and all surrounding leases, showing names of leases and wells.

If you need additional information, please do not hesitate to phone or fax our office

Very truly yours,

MARSHALL PIPE & SUPPLY COMPANY

Marshall J. W.

JWM;vlj encl:

Oil Conservation Division P.O. Box 1980 Hobbs, New Mexico 88241-198 Attn: Evelyn Downs