

# Presidio Oil Company

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SUBSIDIARIES:

Peake Operating Company  
Presidio Energy, Inc.  
Presidio Exploration, Inc.  
The Desana Corporation  
The Petroleum Corp. of Delaware

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November 12, 1991

State of New Mexico  
Energy, Minerals, and Natural Resource,  
Department Oil Conservation Division  
P.O. Box 1980  
Hobbs, New Mexico 88241-1980

ATTN: Jerry Sexton

RE: Proposed Phillips Lea State Waterflood  
Project - (R-8572)  
Proposed Replugging of Malco Phillips  
State Well #1-B (Sec. 6, T18S, R34)

Mr. Sexton,

In response to your inquiry on the above referenced property, Presidio has not initiated any of the re-entry operations proposed by Sohio.

The proposed waterflood project is still a possibility as Presidio is currently evaluating it's feasibility.

If I can be of further assistance, please contact me at (214) 528-5898.

Sincerely,



John V. McCallister  
District Engineer

JVM/mte