BASS ENTERPRISES PRODUCTION CO. DIVISION PRODUCTION OFFICE P. 0 BOX 2760

MIDLAND, TEXAS 79702

October 10, 1980

800 VAUGHN BUILDING (915) 684-5723

Re: Airstrip Area Bass Airstrip State No. 1 Airstrip (Upper Bone Springs) 31-18-35 Airstrip State No. 2 Airstrip (Lower Bone Springs) 23-18-34 Lea County, New Mexico File: 700-1F

State of New Mexico Energy and Minerals Department Oil Conservation Division Hobbs District Office Box 1980 Hobbs, New Mexico 88240

ATTN: Mr. Jerry Sexton

Gentlemen:

A review of our records indicates that all gas produced from the captioned wells is being used as fuel on the lease.

The Airstrip State No. 2 well has a gas engine that requires all casinghead tas, plus additional fuel gas, for operation.

The Airstrip State No. 1 well supplies the battery treating facility with fuel gas which utilizes all casinghead gas available from this well.

Bass respectfully submits this letter in lieu of Form C-104 or Form C-129 which was requested by your letter of October 3, 1980 (copy attached).

Very truly yours,

Division Manager

JEP:RMC/gp Attachment