



WOODBINE PETROLEUM, INC.

1445 ROSS AVENUE, SUITE 5600

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DALLAS, TEXAS 75202

(214) 855-6263

January 27, 1989

Mr. Jerry Sexton
New Mexico Oil Conservation Division
1000 W. Broadway
P. O. Box 1980
Hobbs, NM 88240

Dear Jerry:

This letter is being written regarding the overproduction on our Mobil Federal #1 in Sec. 21, T19S, R32E. As you are familiar the original overproduction was 4,263 barrels of oil or the amount of production we had for the month of July.

This well produced from August 1, 1988 - December 31, 1988, 19,172 barrels of oil. The allowable for that period was 21,878 barrels of oil. Therefore, we have during this six month period reduced the overproduction by 2,696 barrels of oil leaving an overallowable of 1,567 barrels of oil remaining to be made up. We hereby request that you give us an additional six month period in which to make up the remaining overproduction with us reporting back to you on July 1, 1989. We are, also, requesting that it be at our discretion when during the six month period that the overallowable is made up. Jerry, with prices at the rate they are we would like to have some flexibility.

Should there be any questions related to this or should this plan be acceptable please contact me. Thank you for your cooperation.

Sincerely,

WOODBINE PETROLEUM, INC.

Don G. Shackelford
Executive Vice President

DGS/jhw