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File



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201

IN REPLY REFER TO:

NMNM70966X

14-08-0001-16905

3180 (06200)

Matador Petroleum Corporation
Attn: Ms. Mona D. Ables
Suite 158, Pecan Creek
8340 Meadow Road
Dallas, Texas 75241-3751

APR 27 1999

Re: Commercial Well Determination
Laguna Deep Unit Federal #1
Section 35, T.19 S., R.33 E.
Lea County, New Mexico

Pursuant to your letter dated April 21, 1999, this office concurs with your determination that the Laguna Deep Unit Federal #1, 1650' FNL and 1980' FEL, Section 35, T. 19 S., R. 33 E., Lea County, New Mexico, is not capable of producing unitized substances from the Bone Spring formation in paying quantities as defined in Section 11 of the Laguna Deep Unit agreement. This well is therefore not entitled to be part of a Bone Spring participating area and production from this well shall be handled on a lease basis.

The following items should be submitted to update the well records for the Laguna Deep Unit Federal #1 well:

- 1) A subsequent report sundry notice, Form 3160-5, describing the recompletion from the Morrow to the Bone Spring formation.
- 2) A well completion report, Form 3160-4, for the Bone Spring completion.
- 3) A notice of intent sundry notice, Form 3160-5, to change the name of the well.

Please contact Alexis Swoboda, P.E., or the Division of Minerals at 505-627-0272 if you have any questions.

Sincerely,

Gary A. Stephens
Acting Assistant Field Office Manager
Lands and Minerals

C. Jeff ==> Carl
Russ ==> Sherry
Patt.
Yvonne
MA
5-2-99