Mid-Con....ent Region Production United States



P.O. Box 552 Midland, Texas 79702 Telephone 915/682-1626

July 22, 1991

State of New Mexico Energy and Minerals Department Oil Conservation Divison Hobbs District Office P. O. Box 1980 Hobbs, New Mexico 88241-1980

Attention: Mr. Jerry Sexton

Re: Marathon Oil Company McDonald State A/C 2 Well No. 32-B Sec. 13, T22S, R36E Lea County, New Mexico

Dear Mr. Sexton:

In response to your correspondence dated July 11, 1991 concerning the above referenced well, please see the attachments included herein. Please note original Form C-102 was mailed to Ms. Evelyn Downs on July 9, 1991. Also, I have notified our Production Accounting Department of the need to amend Form C-115 per your recommendation. Thirdly, our records indicate per commingling order PC-629 dated February 3, 1983, production may be surface commingled in a common tank battery in accordance with Rule 303.

If I may be of further assistance, please feel free to contact me by hard copy or at (915) 682-1626.

Sincerely,

ARL A. BAGweil

Carl A. Bagwell Engineering Technician

CAB/030-91/lr

Attachments