



January 31, 1994

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

Dear Mr. Sexton,

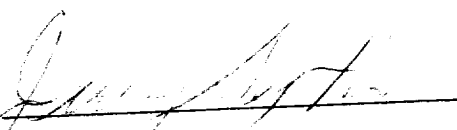
We recently recompleted the M.B. Weir "B" #11 (Unit N, Sec. 12, T20S, R37E) to the Monument Tubb formation. Initial tests indicate the gas production to be approximately 2500 mcfpd, substantially over the pool's maximum allowable of 888 mcfpd. This is unusual for the area, as most of our other Monument Tubb wells produce an average of 275 mcfpd. The notable exception to this is the L. van Etten # 13, which was recompleted in December 1993 and IP'ed at 1800 mcfpd.

With your permission, and with regard to the unusual nature of this well's production, we would like to continue testing the M. B. Weir "B" 11 for a 30-day period. This will allow us to better evaluate the potential of this well and establish a development plan for the area. At the end of the thirty days, we will, of course, make up any over-production.

As discussed with you this morning, our intent is to utilize the remarkable success of these two recent workovers to prepare a case for raising the allowable in the Monument Tubb pool. A 30-day period of unrestricted production from the Weir well will prove invaluable to us in this endeavor.

Thank you for your attention to this matter.

Terry L. Frazier  
Hobbs Area Manager

Approved: 

Date: 