

Mr. Elvis Utz  
Gas Department  
New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

- 2 -

December 8, 1962

assured us that they would take all of the underage that the well was capable of producing during the month of December and subsequently until all of the under-production was made up. We were under the impression that we could recover the under-production so long as we worked over the well in time to recover part of the underproduction in December of 1962. We certainly were not aware that we stood a chance to lose all of the under-production, or we would have worked the well over earlier.

We are, naturally, quite disappointed at the prospect of losing all of the under-production, as it means a substantial economic loss to us, which we do not feel is justified in view of the fact that we have made a significant expenditure to improve the well's productivity and longevity. We sincerely appreciate your willingness to review the circumstances attending our workover on the subject well, and we hope that you may be able to restore the non-marginal classification of the well effective July 1, 1962, so that we may recover the accumulated underage accruing to the well.

Very truly yours,

NEVILLE G. PENROSE, INC.

Original Signed By:  
HAROLD S. WINSTON

Harold S. Winston  
Petroleum Engineer

cc: Mr. Joe Ramey ✓  
New Mexico Oil Conservation Commission  
Hobbs, New Mexico