STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

DIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

October 30, 1997

POST DIFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 53053 393-6161

Bonnie Husband Plains Petroleum Operating Company 415 West Wall, Suite 1000 Midland, Texas 79701

SUBJECT: Division Order R-10776 Teague (Paddock) Blinebry Pool

Dear Ms. Husband:

According to the provisions of Division Order R-10776, effective March 1, 1997, the Teague-Paddock Pool was abolished and the vertical limits of the Teague Blinebry Pool was extended to include the Paddock formation and designated as the Teague Paddock-Blinebry Pool.

The pool code for the Teague Paddock-Blinebry Pool is the same as the Teague-Blinebry Pool: 58300

According to our records, you are the operator of the following wells originally classified as producing from the Teague-Paddock Pool:

E. C. Hill B Federal	#1 - A,	34-23-37
E. C. Hill B Federal	#2 - H,	34-23-37
E. C. Hill B Federal	#3-B,	34-23-37
E. C. Hill B Federal	#4-G	34-23-37

These wells are now classified as producing from the expanded Teague Paddock-Blinebry Pool.

The abolishment of the Teague-Paddock and the vertical extension of the Teague-Blinebry Pool and reclassification is only to reflect the correct perforations and/or formations within the pool.

As per instructions from Paul Kautz, the Oil Conservation Division Geologist, it is unnecessary to file amended C-102's on wells classified as producing from the Teague-Blinebry Pool prior to the reclassification of the pool. However, due to the abolishment of the Teague-Paddock Pool, it is necessary to submit a new Form C-102 for each of the above listed wells.

Please submit the form no later than December 31, 1997. Since these are existing wells, it is not necessary to have the plats signed by a surveyor. We appreciate your prompt attention on this matter and apologize for any inconvenience.