



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

September 20, 1993

Mitchell Energy Corp.
ATT: George Mullen
P O Box 4000
The Woodlands, TX 77387

RE: Potash Area Rules

Gentlemen:

This will confirm your conversation with Jerry Sexton of this office concerning intents to drill in the Potash Area and the casing program required by order R-111-P.

All operators desiring to drill a well in this area must confirm to the special casing/cementing requirements in R-111-P order. We are holding all Application for permit to drill in the Potash Area until we receive amended C-101 changing the casing so that it will confirm to the Oil Conservation Division order R-111-P. Also the Application listed below that were approved are null and void until an amended casing program is received:

Anasazi 4 State	#1-N, Sec. 4, T-20S, R-33E
Anasazi 4 State	#2-I, Sec. 4, T-20S, R-33E
Scharbauer 4	#2-O, Sec. 4, T-20S, R-33E
Scharbauer 4	#3-P, Sec. 4, T-20S, R-33E

Exception as provided in this order herein, including revocation, changes, renewal or extension thereof, shall be made by the Division, in a public hearing before the Commission or a legally appointed Division Examiner. If you have any questions on this matter, please call District I office (505) 393-6161.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
District I, Supervisor

JS:dp
cc: Bill Lamay, Santa Fe, file

