

PADILLA & SNYDER

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September 13, 1988

VIA FEDERAL EXPRESS

Mr. Frank Chavez
District Supervisor
Aztec OCD Office
1000 Rio Brazos Road
Aztec, New Mexico 87510

RECEIVED
SEP 14 1988
OIL CON. DIV
DIST. 3

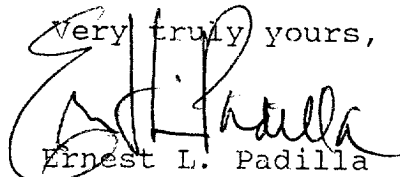
Re: BCO, Inc. State J Well No. 1;
540 FNL and 820 FEL of Section 16,
Township 23 North, Range 7 West,
Rio Arriba County, New Mexico

Dear Mr. Chavez:

In accordance with my recent telephone conversation with you concerning the above-referenced well and my request to allow BCO to continue the hearing in Case 9396 before the Oil Conservation Commission, enclosed please find an amended form C-102 which designates a proration unit of 160 acres comprised of the NE/4 of Section 16. In support of the amended C-102, we are also enclosing a brochure containing materials which we believe will enable you to accept and approve the amended C-102, effective as the date of first production of the wells on October 15, 1987.

We also request that you consider our request expeditiously so that we can promptly seek approval and waivers for a nonstandard location.

Should you have any questions or need additional information, please do not hesitate to contact me or Ms. Elizabeth Keeshan with BCO, Inc. at 983-1228.

Very truly yours,

Ernest L. Padilla

ELP:crk
Enclosures as stated
cc: BCO, Inc.
29.19