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September 24, 2006

Via fax and U.S. Mail

William Jones **Oil Conservation Division** 1220 South St. Francis Drive Santa Fe, New Mexico 87505

> Re: Case Nos. 13,771, 13594 (reopened), and 13778 Kaiser-Francis Oil Company/Haves Land & Production, LP/J. Cleo Thompson & James Cleo Thompson, Jr., L.P./Marbob Energy Corporation

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Dear Mr. Jones:

Hayes Land & Production, LP does not object to 160 acre Bone Spring spacing in the W¹/₂ of Section 11 (with a $W^{1/2}W^{1/2}$ well unit). As stated by its witness at hearing, its main concern is that the W1/2NW1/4 of Section 11 must be included in the well unit for the Mesa Grande "11" Well No. 2, because that well is 19 feet off of its lease line.

Very truly yours,

slee

James Bruce

Attorney for Hayes Land & Production, LP

Counsel of record cc: