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Alberto A. Gutiérrez, C.P.G.

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March 27, 2009

Order No # 2921
Case 14080

Mr. Richard Ezeanyim
NM Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

VIA FEDERAL EXPRESS

RE: COMMENCEMENT OF AGI OPERATIONS AT SUGS JAL 3 AGI #1

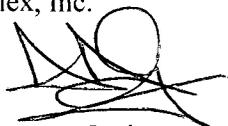
Dear Richard:

As a follow-up to my e-mail of Wednesday, March 25, 2009, I am writing this letter to officially confirm that Southern Union Gas Services (SUGS) initiated AGI operations on March 24, 2009, pursuant to NMOCD Order #R-12921.

Beginning at the end of this month, SUGS will begin reporting the injection volumes and pressures on Forms C-115 pursuant to NMOCD requirements.

If you have any questions regarding the status of the well or the current injection, please call me at (505)-842-8000. Geolex and SUGS appreciate all of your work in helping to get this project underway, which will aid the environment through the sequestration of significant volumes of CO₂ and H₂S in an environmentally safe manner.

Sincerely,
Geolex, Inc.



Alberto A. Gutierrez, RG
President



cc: Ross Boyd – SUGS

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