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April 29, 1998

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Ms. Florine Davidson
Oil Conservation Division
Santa Fe, NM 87504

Re: Case 11973 - Application of Shahara Oil, LLC for a
Waterflood Project and Qualification for the
Recovered Oil Tax Rate Pursuant to the "New Mexico
Enhanced Oil Recovery Act" for said Project, Eddy
County, New Mexico

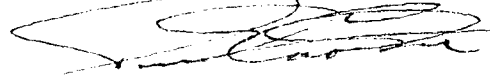
Dear Florine:

The captioned case is set on Docket #11-98 for
hearing April 30. The Division's Form C-108 with
attachments was not completed in time to attach to the
original application, and further delay has been
encountered by reason of preparing the schematics for the
offsetting plugged wells.

Shahara Oil anticipates that the document will be
completed and filed shortly, so this letter is written to
request that the case be moved from the April 30 docket to
the May 28 docket.

Your courtesy in so doing is sincerely appreciated.

Very truly yours,



Paul A. Cooter

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cc: Perry Hughes