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September 4, 2001

VIA FACSIMILE

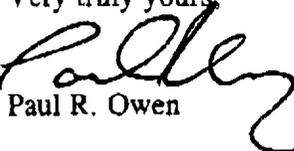
Lori Wrotenbery, Director
 Oil Conservation Division
 New Mexico Department of Energy,
 Minerals and Natural Resources
 1220 South St. Francis Dr.,
 Santa Fe, New Mexico 87505

Re: *New Mexico Oil Conservation Division Case No. 12723*
New Mexico Oil Conservation Division Case No. 12724
ApplicationS of Gruy Petroleum Management Company for unorthodox infill gas
well location and simultaneous dedication, Lea County, New Mexico.

Dear Ms. Wrotenbery:

Pursuant to the terms of a September 4, 2001 letter agreement between my client Lewis Burleson Inc. ("Burleson") and Gruy Petroleum Management Company, my client hereby withdraws its objection to the relief sought by Gruy in the above-captioned cases.

Please let me know if you have any questions.

Very truly yours,

 Paul R. Owen

cc: Mr. Steve Burleson (via facsimile)
 Lewis Burleson, Inc.

Holland & Hart (via facsimile)
 Michael Feldewert, Esq.

David Catanach, Hearing Examiner
 New Mexico Oil Conservation Division