STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT



OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

August 16, 1988

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

Mr. Eddie Rodriguez Siete Oil and Gas Corporation P.O. Box 2523 Roswell, NM 88202-2523

Re: Quanah Federal #1-N Section 14, T18S, R32E

Gentlemen:

Your application for permit to drill the above-referenced well has been received from the BLM. It is noted the permit was filed as a "wildcat" Wolfcamp. However, this location is within a mile of two Wolfcamp Pools, the South Corbin Wolfcamp Pool (80-acre spacing) and the Young-Wolfcamp Pool (40-acre spacing). As discussed with Paul Katuz, OCD Geologist, this well will come under the Young Wolfcamp Pool.

If you have further questions concerning this, please feel free to contact us.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I

cc: BLM