

May 12, 1998

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Wiser Oil Company c/o James Bruce P. O. Box 1056 Santa Fe, New Mexico 87504

Re:

Application of Wiser Oil Company for administrative approval to drill its State "AZ"Well No. 3 (API No. 30-015-29969) to an unorthodox bottomhole oil well location within the Grayburg-Jackson Pool 10 feet from the South and West lines (Unit M) of Section 16, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

Dear Mr. Bruce:

My records indicate that this well was drilled by Wiser Oil Company in December 1997/January 1998. Please submit a copy of the certified directional survey and a schematic of this wellbore (see copy of Division form C-103 dated January 7, 1998 attached). Please indicate the exact location of this wells perforated intervals, top and bottom, and its bottomhole location at total depth.

Also, were the New Mexico State Land Office and U. S. Bureau of Land Management notified of Wiser's proposed lease line agreement? What if any were their reactions or concerns?

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 827-8185.

Sincerely

Michael E. Stogner Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Artesia New Mexico State Land Office - Santa Fe U. S. Bureau of Land Management - Carlsbad