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June 11, 2002

Mr. Bryan Arrant  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1301 W. Grand Avenue  
Artesia, NM 88210



**Re: Duke Energy Field Services AGI Well No. 1, 1232' FSL, 1927' FEL, Section 7, T18S, R28E, Eddy County, New Mexico (API No. 3001532324)**

Dear Mr. Arrant:

Enclosed in triplicate is a signed form C-102, well location and acreage dedication plat, for the above-referenced well. Based on my telephone conversation with you late last week, I understand that you have already approved Duke Energy Field Service's (Duke's) Application for Permit to Drill (Form C-101) for this well.

It is also my understanding that the C-102 that was submitted with Duke's C-101 was not signed. The enclosed should complete your file.

Please let me know if you have any questions.

Very truly yours,

Paul R. Owen

Enclosures