

MESA GRANDE RESOURCES, INC.

1200 PHILTOWER BUILDING

TULSA, OKLAHOMA 74103

(918) 587-8494

September 9, 1991

Mr. Frank Chavez
District Supervisor
Energy, Minerals and Natural
Resources Department
1000 Rio Brazos Road
Aztec, New Mexico 87410

Re: August 8, 1991 Certified Letter
to Mesa Grande Resources, Inc.
Attention: Chris Phillips
NL 23-1, H-23-25N-02W

Dear Mr. Chavez:

Please be advised that your above referenced letter was transmitted to me on August 19th, as per our previous telephone discussion.

New Mexico Operating Company is moving trucking equipment to the Lindrith Area and will assist in cleaning up the #NL-23-1. Said clean up will involve removal of all surface debris and restoring the surface location to its original state. The drill site reserve pit will be filled with sand and gravel. Thereafter the well will be placed on standby well head connection status. A new reserve pit will be constructed north of the existing NL 23-1 drillsite when a well head connection for the well is made.

The above surface should be completed by October 8th to 10th.

Sincerely yours,



E. Alex Phillips

EAP:ej

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OIL CON. DIV. 1
DIST. 2