

GANDY CORPORATION

OILFIELD SERVICES

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July 21, 2004

Mr. Mark E. Fesmire, P.E., Director
Oil Conservation Division
New Mexico Department of Energy, Minerals and Natural Resources
1220 South St. Francis Drive
Santa Fe, NM 87055

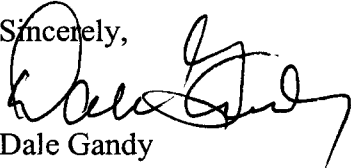
Dear Mr. Fesmire:

Gandy Corporation would like to submit the following logs and temperature survey as required by the Oil Conservation Division to be taken on its State T #2, disposal well in Lea County NM. These are to put Gandy Corporation in compliance with #'s 1 thru 8 of the Oil Conservation order.

In submitting these documents Gandy Corporation is showing proof of the wells capability to meet all the state requirements.

Thank you for your help.

Sincerely,




Dale Gandy
President

CC: Chris Williams

WVJ
1/29/04

Signed before me on this 20 Day of July by Dale Gandy



Rue Mauk
Notary