

Lynx Petroleum Consultants, Inc.

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May 8, 2007

Mr. Bryan Arrant
Oil Conservation Division
1301 W. Grand Avenue
Artesia, NM 88210

Re: Eddy 'BD' State No. 2 APD
Section 32, T-20S, R-30E, Eddy County, NM
API No. 30-015-35194

Sir:

approved
BRYAN G. ARRAnt
DISTRICT II GEOLOGIST

We are writing to request that the above referenced APD be amended to reflect that we now plan to run 9-5/8", 36# and 40# casing as the 2nd intermediate string as opposed to the 8-5/8", 32# originally proposed on the C-101. Setting depth will remain 4100' and we still plan to circulate cement to surface.

Although the written drilling program submitted with the APD detailed the proposed mud program, it appears the C-101 has Gas/Air "checked" as the circulating medium. This is incorrect. The mud program will be a combination of fresh, brine, fresh, and cut brine waters as outlined in the drilling program. One of the conditions of approval of our APD was a requirement to collect fluid samples every 100' during the drilling of the "reef" section of the hole. My question is whether you want the actual fluid samples or a chloride concentration water analysis report submitted to your office.

The current schedule has well spud projected for June 10th. Please let me know how you would like the fluid sample data delivered and don't hesitate to call or write if you have any questions.

Sincerely,

LYNX PETROLEUM CONSULTANTS, INC.

Larry R. Scott
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