



August 8, 1994

Oil Conservation Division
P. O. Drawer DD
Artesia, New Mexico 88210

Attention: Ray Smith

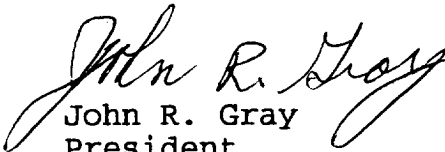
RE: New Mex. CY St. #1
J-23-17S-28E
Humble State 23 #1
I-23-17S-28E
Eddy County, N.M.

Dear Mr. Smith:

In response to your letter concerning an inspection of the locations on the above referenced wells we have not yet removed the tanks from location. When we find a new place to relocate those production facilities we will finish final clean up and notify you.

If this time delay is an inconvenience please notify us and we will move the tanks to an alternate location and finish clean up. Thank you for your help in this matter.

Sincerely,


John R. Gray
President

JRG/rsn