

**FIREWATER, INC.**  
**OIL & GAS PRODUCERS**

**940-704-6153**  
**575-393-2727**

**1008 W. BROADWAY**  
**HOBBS, NM 88240**

**September 30, 2008**

**VIA EMAIL: JAMES BACA**  
**CHEVRON USA, INC.**

**RE: WELL TO BE DRILLED IN UNIT K, SEC. 35, T24S, R37E**  
**LEA COUNTY, NEW MEXICO**

**Dear Mr. Baca,**

**Our George L. Erwin well #3 produces in the Queen zone from open hole 3200' to 3460'. We, therefore, have no objection to Chevron drilling and completing a well in the same 40 acre proration unit in the Grayburg zone or below the depth of 3460'.**

**Sincerely,**  
**Kenneth A. Freeman**  
**President**

**cc: OCD/Hobbs**