GRYNBERG PETROLEUM COMPANY 5000 SOUTH QUEBEC • SUITE 500 • DENVER, COLORADO 80237-2707 USA • PHONE 303 - 850-7490 TELEX: 510 600 2180 ENERGY DVR TELECOPIER: 303-850-7498

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

September 27, 1989

Oil Conservation Division State of New Mexico P. O. Box 2088 Santa Fe, New Mexico 87502-2088

Attention: Director - Oil Conservation Division

RE: Re-entry of the #1 Isler 3 Federal Well 660' FNL & 1980' FWL of Sec. 3, T10S-R30E Chaves County, New Mexico

Gentlemen:

Celeste C. Grynberg respectfully requests the approval of the New Mexico Oil Conservation Division to re-enter the subject well, cut a window in the 5 1/2" production casing at approximately 6800' and directionally drill approximately 800' of 4 3/4" hole. The new bottom hole location will be approximately 100' south of the existing bottom hole location. This operation should allow a successful test of the lower Abo formation at approximately 7500'.

A copy of the federal APD has been submitted to the New Mexico Oil Conservation Division. The mineral owners of the offset 160 acre tracts have been notified by certified mail and approval has been requested for this project. Please contact the undersigned if you have any questions.

Sincerely,

GRYNBERG_PETROLEUM/COMPANY 1/ (1/1 つれ*XU*M Susan Stone

Land Manager

SS:1r

cc: Mr. Jerry Sexton Oil Conservation Division State of New Mexico P. O. Box 1980 Hobbs, New Mexico 88240

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