

# BLANCO

*engineering*  
*inc.*

116 North First Street / (505) 746-3223  
Artesia, New Mexico 88210

September 24, 1990

New Mexico Oil Conservation Commission  
P.O. Box 1980  
Hobbs, NM 88240

Attn: Mr. Jerry Sexton

Re: Blanco Engineering, Inc. NM "S" No. 1 well  
located North Anderson Wolfcamp Field,  
Lea County, New Mexico

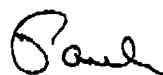
Dear Jerry:

As per our telephone conversation I respectfully request a 30 day period of grace in order to produce the subject well. We are recovering treatment water plus some formation water and the sensitivity of the reservoir makes it imperative to not shut the well in.

In my opinion formation damage and loss of oil and gas reserves would occur in the event of a shut-in at the present time.

We will work post-haste to correct our spacing problem.

Respectfully,



Paul G. White  
President

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