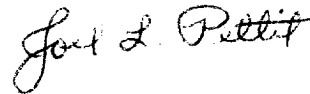


Jerry Sexton  
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Within the mineral interests dedicated to this well is a lease with a 1-24-88 expiration date. A spud prior to this expiration was required. Pennzoil sought and received verbal permission from William Lemay, Division Director, last week to spud the well. Mr. Lemay encouraged Pennzoil to be on the docket as soon as possible for the unorthodox location, thus the 2-3-88 scheduled hearing.

If you have any questions, please call me collect at 915-682-7316. Again, your prompt consideration of this matter will be greatly appreciated.

Yours truly,



Joel L. Pettit  
Operations Superintendent

JLP/jp

cc: New Mexico Oil Conservation Division  
Attn: Mr. William J. Lemay

Mr. W. Thomas Kellahin  
G. SanFilippo  
W.W. Hollingshead  
L. Whitfield  
Well File

Attachment