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September 16, 2002

Via Facsimile

J. Scott Hall, Esq. Miller, Starter & Torgerson, P.A. P. O. Box 1986 Santa Fe, New Mexico 87504

WELL File Sharep 25-1 TMBR FIN 25-1 Blue FIN 358 25-165-358 NW/4

Re: NMOCD Cases 12816, 12841, 12859 and 12860 Compulsory Pooling Cases by TMBR/Sharp, Ocean and Arrington

Dear Mr. Hall:

On behalf of TMBR/Sharp Drilling, Inc., I am replying to your letter of September 13, 2002. TMBR/Sharp Drilling, Inc. is producing the Blue Fin 25-1 Well in the NW/4 of Section 25, T16S, R35E, Lea County, New Mexico with the prior approval of the Division and in accordance with Division rules.

TMBR/Sharp Drilling, Inc. is proceeding to file the appropriate motion with the Lea County District Court for the appointment of a Special Master to administer the proceeds received from the sale of production from the well. You will soon receive verification of this from the Cotton, Bledsoe, Tighe & Dawson Law Firm thereby eliminating any need to involve the Division.

Please call me if you have any questions.

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Loti Wrotenbery, Director Michael E. Stogner, David E. Brooks, Esq. Chris Williams James Bruce, Esq. Richard Montgomety, Esq. William F. Carr, Esq.

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