

ARAHO, INC.

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P. O. BOX 937  
LOVINGTON, NEW MEXICO 88260  
505/396-3663

February 14, 1992

Mr. Jerry Sexton  
Energy and Minerals Department  
Oil Conservation Division  
P.O. Box 1980  
Hobbs, New Mexico 88240

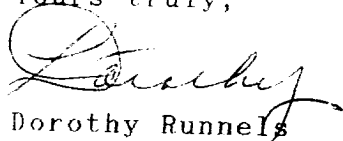
Dear Jerry:

I wanted to write and let you know that we have ceased using the Araho SWD #2 because of the problems that we have been having. I have notified all Araho customers that the well is no longer in use at this time.

I will keep you informed on our progress and let you know when we can reschedule the test.

If you have any questions, please call me.

Yours truly,

  
Dorothy Runnels  
President

CC: Bonnie 2-18-92