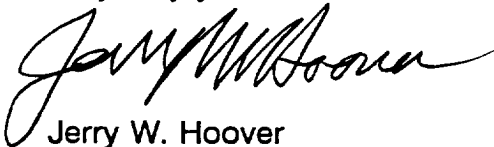


This action would separate out the 40 acres required for dedication to the No. 3 oil well and leave the remaining 120 acres dedicated to the No. 7 gas well. Copies of this application have been sent by certified mail to all offset operators and copies of the certified mail receipts are attached as EXHIBIT D. new C-102's are also enclosed reflecting this proposed action.

If there are any further questions concerning this application, please contact me at (915) 686-6548. Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jerry W. Hoover". The signature is fluid and cursive, with the first name "Jerry" being more prominent.

Jerry W. Hoover
Sr. Conservation Coordinator

cc: Hobbs District OCD Office