

# LLANO, INC.

PHONE 393-2153

P. O. DRAWER 1320

HOBBS, NEW MEXICO 88240

R. F. MONTGOMERY  
PRESIDENT

March 23, 1973

DWIGHT TEED  
SECRETARY-TREASURER

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

Attention: Mr. Joe Ramey

Re: Notification of Commencing Phase I  
Operations, Grama Ridge Morrow Unit,  
Lea County, New Mexico

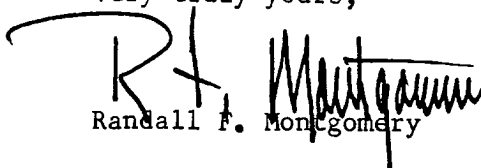
Gentlemen:

In accordance with New Mexico Oil Conservation Commission Order No. R-4491, this is to inform you that Llano, Inc. has started the well conditioning work and installation of surface, testing and metering facilities on the Grama Ridge Morrow Unit. The State GRA No. 1 and State GRB No. 1 have been converted for injection purposes and are awaiting the installation of the compressor equipment in order to begin the pilot operations.

After gas injection has begun, Llano will so inform you by letter with the first month's report on injection and/or withdrawal volumes.

The New Mexico Oil Conservation Commission (Santa Fe) and the New Mexico State Land Office have also been notified.

Very truly yours,

  
Randall F. Montgomery

RBW/zs