ROBERT D. FITTING & ASSOCIATES, INC. Tetroleum Engineering & Geological Consultants MIDLAND, TEXAS 79701

February 5, 1975

Skelly Oil Company P. O. Box 1351 Midland, Texas 79701

Attention: Mr. Merlin J. Ekman, District Engineer

Re: Carter Foundation Production Company Bline-Cade Waterflood Project Order No. R-3027

Gentlemen:

Carter Foundation Production Company proposes to include their Blinebry Federal, Well #17, a water injection well, in the Bline-Cade Waterflood Project, Langlie-Mattix Field, Lea County, New Mexico. This well was completed on November 4, 1968 at an unorthodox location as shown on the attached plat. We have been requested by the New Mexico Oil Conservation Commission to obtain a Waiver of Objection from you, as an offset operator, for this unorthodox well location and its inclusion in the subject project.

If you have no objection to this proposal, please indicate your approval in the space indicated below and return one copy of this letter to us in the enclosed self-addressed envelope.

Sincerely,

CARTER FOUNDATION PRODUCTION COMPANY

RDF:jd Attch -APPROVED: Leland Franz February 18, 1975 DATE: