

# United Gas Search, Inc.

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August 3, 1992

State of New Mexico  
Energy, Minerals and Natural Resources Dept.  
P. O. Box 1980  
Hobbs, NM 88241-1980

Attn: Mr. Jerry Sexton

RE: Bettis, Boyle & Stovall  
Leonard Federal #8 Well  
SW SW/4, Sec. 14-26N-37E  
Lea County, NM

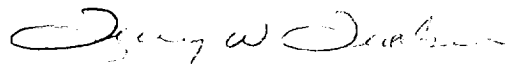
Dear Mr. Sexton:

As per a conversation this date with our Garland, Texas operations office, they stated that your office advised that the referenced well would need to be plugged within one week. This well is in a 160 acre spacing unit along with the Leonard Federal #13 well. I feel plugging this well prematurely may be a loss to the State of New Mexico as well as United Gas. From the past performance of the Leonard Federal #13 well, I do not feel that we are draining 160 acres.

I would like to apply for an 80 acre spacing on this 160 acre tract. The well logs indicate natural gas. Please advise at your earliest convenience, if you feel this might be possible.

Very truly yours,

**UNITED GAS SEARCH, INC.**



Terry W. Tucker  
For the Firm

TWT