

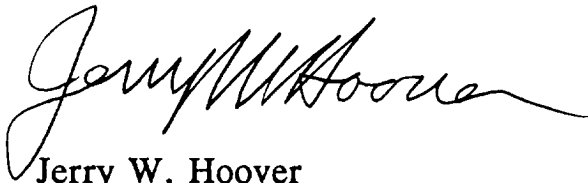
EXHIBIT B is the C-102 survey plat for the proposed No. 17 located at 810' FNL and 660' FEL and the other three wells, 1, 3, and 4, that are currently dedicated to the 640 acres of Section 26. Well No. 16, for which this is a replacement well, was located at an approved 660' FNL & 660' FEL non-standard location. This replacement well maintains the same Eastern setback and increases the approved Northern setback to 810' FNL.

In order to complete the effective recovery of Jalmat reserves from the NE/4 of Section 26 in the manner approved by Division Order No. R-4905, the replacement Well No. 17 needs to be drilled in the same general area.

EXHIBIT C is a list of the offset operators surrounding this 640-acre proration unit. Notification of this application was mailed to each by certified mail. Copies of the certified mail receipts are also attached as EXHIBIT D.

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", with a long, sweeping horizontal stroke at the end.

Jerry W. Hoover  
Sr. Conservation Coordinator