



M.O.C.D. COPY

United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

July 11, 1979

General Operating Company
Ridglea Bank Building
Suite 1007
Fort Worth, Texas 76116

Gentlemen:

GENERAL OPERATING COMPANY
No. 2 Grayburg Jackson Unit Tract 4
1980 FSL 1980 FEL Sec 22, T17S, R30E
Eddy County Lease No. LC-029020(g)

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 3200 feet to test the Grayburg-San Andres formation is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the SURFACE USE PLAN and this approval including the GENERAL REQUIREMENTS.
3. Submit a Daily Report of Operations from spud date until the Well Completion Report (form 9-330) is filed. The progress report should be not less than 8" x 5" in size and each page should identify the well.
4. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate Sandstone Brown (Federal Standard Color #595A, color 20318 or 30318).
5. Cement behind the 8-5/8" casing must be circulated.
6. Cement behind the 4-1/2" casing must be brought up high enough to cover all oil and gas zones.
7. Notify the Geological Survey in case a waterflow is encountered while drilling.



8. Please have anyone contacting the Survey in regard to this well to identify the well with all of the information required above for the well sign.

Sincerely yours,

JOE G. LARA

Joe G. Lara
Acting District Engineer