



**Sun Exploration and
Production Company**

No 24 Smith Road
ClayDesta Plaza
PO Box 1861
Midland TX 79702-9970
915 688 0300

March 1, 1989

To all Offset Operators
(See List Attached)

RE: Offset Operators Notification
Proposed Unorthodox Location
Sun Exploration & Production Co.
China Cat Federal Com. No. 1
11,100' Wildcat (Morrow) Gas Well
Eddy County, New Mexico

Gentlemen:

Sun is in the process of filing for an application for permit to drill the captioned proposed unorthodox location at 990' FSL & 800' FEL, Unit Letter P, Section 1, T-17-S, R-29-E, Eddy County, New Mexico.

Statewide Rule 104 for a wildcat Morrow gas well states distances no closer than 660' from side boundary, 1980' from end boundary, 330' to any quarter-quarter section line. This location is 990' to the end boundary, making it an unorthodox location.

If you, as an offset operator of this lease, have no objections to this location, please sign the waiver below returning one copy to Mr. Michael E. Stogner, State of New Mexico, Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87504 and one copy to Maria L. Perez, Sun Exploration & Production Co., P. O. Box 1861, Midland, Texas 79702. A self-addressed stamped envelope has been provided for your convenience.

This well has a critical spud date of March 31, 1989. Your prompt return of this waiver is appreciated.

Yours truly,

Maria L. Perez
Accountant
A/C 915-688-0375

DATE: _____ COMPANY: _____

SIGNATURE: _____ TITLE: _____

CC: Michael E. Stogner-OCC-Santa Fe, NM
BLM-Calsbad, NM
Keith Nelson, Land Dept. SWR

OCC-Artesia, NM
Charles Gray-Conservation
Dept. Dallas