COQUINA OIL CORPORATION

BUILDING OF THE SOUTHWEST MIDLAND, TEXAS 79701

October 12, 1973

Re: Dove Draw Prospect Eddy County, New Mexico NM-0492367

Regional Director Bureau of Reclamation Herring Plaza P. O. Box H-4377 Amarillo, Texas 79101

RECEIVED

OCT 1 6 1973 U. S. GEOLOGICAL SURVEY ABTESIA, NEW MEXICO

Gentlemen:

Coquina Oil Corporation is contemplating drilling a test well at a location 660 feet FNL and 660 feet FEL of Section 5, T-19-S, R-27-E, Eddy County, New Mexico. Attached herewith is a topography plat and surveyor's plat indicating the proposed location of this test well.

Federal Lease NM-0492367, upon which this test well is to be located, has the following Bureau of Reclamation stipulations:

- (1) Drilling is prohibited within the area established by a line 300 feet beyond the high water line of McMillan Reservoir, which said high water line being defined as Contour 3270 feet which contour is 2.3 feet above the crest of Spillway #2.
- (2) Drilling is prohibited within 1/2 mile of any dam, dike, or other major structure.
- (3) Drilling is prohibited within 1/2 mile of the Pecos River between McMillan Dam and a point in the river 1/2 mile below Major Johnson Springs.

We are of the opinion that the proposed location is satisfactory for drilling. We would appreciate it if you would, in fact, confirm that this location is satisfactory.

This date we are filing our Intent to Drill with the United States Geological Survey; therefore, we would appreciate an early reply.

Sincerely,

COQUINA OIL CORPORATION

(AC) 915 663-4661

FFD:1j "~cc: United States Geological Survey

F. Ferrell Davis