

HILLIARD OIL & GAS, INC.

1190 Midland National Bank Tower, Midland, Texas 79701 (915) 684-8271

May 26, 1976

RECEIVED

MAY 27 1976

D. C. C.  
ARTESIA, OFFICE

Oil Conservation Commission  
Drawer DD  
Artesia, New Mexico 88210

RE: Shut-in Gas Well  
Gulf Federal Com #1  
F, Sec 35, T-19-S, R-25-E  
Eddy County, New Mexico

Gentlemen:

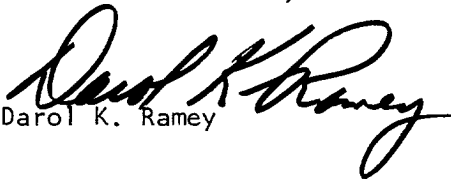
The subject well has been shut-in since June 1974, waiting on gas contract and connection. This well has only marginal reserves, and we could not entice a purchaser to lay their line to the well. We have arranged to sell the gas to Natural Gas Pipeline Company if we lay a line to their line in Section 34.

We must obtain a Right-of-Way to cross the adjoining Federal lease with our line. Our application has been filed and we are waiting on approval. We anticipate putting this well on production in August, 1976.

We request that we be allowed to leave this well in a shut-in status until we can get this line laid.

Very truly yours,

HILLIARD OIL & GAS, INC.

  
Darol K. Ramey

DKR/js