



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
P. O. Drawer U
Artesia, New Mexico

IN REPLY REFER TO:

February 19, 1963

Standard Oil Company of Texas
P. O. Drawer S
Monahans, Texas

Re: New Mexico 04881
Expiring February 28, 1963

Gentlemen:

Your Notice of Intention to Drill well No. 1 Federal 19-7 (copy attached) in the NW1/4, sec. 7, T. 22 S., R. 23 E., N.M.P.M., Eddy County, New Mexico to a depth of 500 feet to test the San Andres formation is hereby approved subject to compliance with the provisions of the Oil and Gas Operating Regulations and subject to the following conditions:

1. Drilling operations so authorized are subject to the attached sheet for general conditions of approval.
2. A daily progress report is to be furnished in duplicate from start date until completion of the well.
3. Drilling rig must not be moved from well without prior approval from the Survey (30 CFR 221.35c).

Very truly yours,

James A. Knauf
District Engineer

P.S.: If the lease is to be considered for extension by diligent drilling operations, the lease rental must be timely paid.