JAN 13 1977

BLACK RIVER CORPORATION

620 COMMERCIAL BANK TOWER MIDLAND, TEXAS 79701

915 683-53838A, OFFICE

January 12, 1977

Mr. W. A. Gressett Supervisor District II Oil Conservation Commission State of New Mexico P. O. Drawer DD Artesia, New Mexico 88210

Re: BR Federal #3
Sec. 33: T-25-S, R-24-E
Eddy County, New Mexico

Dear Bill:

We have recently installed a small compression facility located in Section 4, Township 26 South, Range 24 East, Eddy County, New Mexico to accommodate the BR 4 Federal #3 well. With this installation available we now feel there is sufficient amount of casing head gas available from the above referenced well to warrant laying a line whereby this gas could be compressed into the El Paso pipeline.

Form C-104, Request for Allowable and Authorization to Transport Oil and Natural Gas, is enclosed for your review and approval. If additional information is needed, please contact me at 1-915-683-5384, "collect".

Very truly yours,

BLACK RIVER CORPORATION

Ronald D. Sowders, C.P.A.

12 well D. Henreley

Vice President

RDS: jw

Enclosure