

P. O. Box 997
Roswell, New Mexico

October 13, 1959

Phillips Petroleum Company
816 Patterson Building
Denver 2, Colorado

Re: Santa Fe 075743

Gentlemen:

We are in receipt of the "Notice of Intention to Drill" submitted by you covering well No. 2 located 1900 feet from the south and west lines of section 25, T. 30 N., R. 6 W., E.M.P.M., on the subject lease.

Before this location can be approved it will be necessary for you to submit in triplicate a plat of the location made by a registered land surveyor.

It is the policy of this office to require gas wells in the San Juan Basin area to be drilled on 990 foot locations and any future tests that you drill on public land should conform with this policy. We will approve the location as submitted for this well, however, if you change it to a 990 foot location we will change the footage on the "Notice of Intention to Drill" when we receive the plat. A plat is not necessary for the water well location.

It is also a policy of this office to have the first well drilled on a lease numbered one. Therefore, if you want this well numbered two for your records, we would prefer to number the well 1-2. Number 1 indicating it is the first well drilled on the lease and number 2 indicating it is the second core test drilled by you in the area.

The enclosed plat shows 16 possible well locations for Pictured Cliffs wells. Only one well to a quarter section (160 acres).

Very truly yours,

P. T. McCreth
District Engineer

District

and