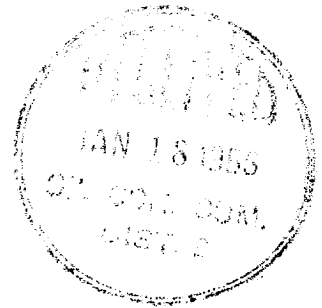


ROYAL DEVELOPMENT COMPANY

616 CENTRAL AVENUE SE
Albuquerque, New Mexico

Jan 17 1956



Oil Conservation Commission
Box 697
Aztec, N Mexico

Gentlemen

Attn: Mr Emery C Arnold

Enclosed is Notice of Intention to Drill (in quintuplicate) Andro-Eidal-Canoncito Drought-Booth #2 on the Ignatio Chavez Grant. You will notice that this will be a co-venture between Andro Uranium Corporation and Roy M Eidal an individual.

We are sending directly to Mr Macy in Sante Fe, \$5000.00 Bond to cover this test, along with copy of this letter.

In previous wells drilled on this structure, fresh water sands have been encountered down to 435'. In is our intention to set 5 $\frac{1}{2}$ " casing well past this point, on a formation casing packer, to shut off this water, and to then drill ahead with air. In the event of a dry hole this string of 5 $\frac{1}{2}$ " will be pulled, and we would appreciate your advising us how you desire the well plugged in the event of abandonment.

In the event of production of course, tubing would be run and probably the producing sand isolated by a tubing packer above.

We trust you find the enclosed in order for approval.

Sincerely,

ROYAL DEVELOPMENT COMPANY

Business Manager

H E Shillander/s

cc Wm Macy
Gid Robertson - Andro Uranium

PS: We also enclose survey plat in triplicate with the proposed location circled in red. You will note this is on a ten acre spacing.