

Gaddis



MINING COMPANY

SUITE 1500 MILE HIGH CENTER
DENVER 2, COLORADO

Telephone Main 3 5204

July 19, 1960

New Mexico Oil Conservation Commission
District 3
1000 Rio Brazos Road
Aztec, New Mexico

Attn: Mr. E. C. Arnold, Supervisor

Gentlemen:

We enclose Notice of Intention to Drill, and Well Location and Acreage Dedication Plat on our #2-7 Federal well, a proposed 2000' Menefee test in the SE-SE-SE of Section 7: T19N, R5W, McKinley County, New Mexico.

We do not desire to drill in the center of the SE-SE of Section 7, because of the presence of a dry hole, the Caswell Silver-Douglas Corporation #1 - A-7 Federal, in the SW-SE-SE of the 40 acres. Our Federal Lease is due to expire September 1, 1960, unless we obtain production before that date. Our best chance to validate the lease is to drill the 10 acre location we propose, and we will dedicate the 40 acres (SE-SE of Section 7) to the proposed well, if our location is approved.

We propose to drill under the Federal Bond posted by Reynolds Mining Corp., Three States Natural Gas Corp., and Petro-Atlas Corp., who have farmed out their interest to us. There is no question of crowding a lease belonging to a third party because the ownership of the off-set acreage to the proposed test is exactly the same as the ownership of the drill site.

Since time is of the essence we request that you approve our location at your earliest convenience, or if unable to approve without a hearing, advise us of the earliest date at which a hearing can be scheduled.

Yours truly,

GADDIS MINING COMPANY

By 
A. E. Woodley
Land Manager

AEW:mb
Enclosures