SHAR-ALAN OIL COMPANY

1402 DENVER U. S. NATIONAL CENTER

DENVER 2, GOLORADO

May 24, 1962

New Mexico Oil& Gas Commission 1000 Rio Brazos Road Aztec, New Mexico

Attention: Mr. Emery Arnold

RE: #1 M. Morelock Unit Section 7 - 23N - 1W Rio Arriba County, New Mexico

Dear Mr. Arnold:

I enclose herewith the original and four (4) copies of a Notice of Re-completion regarding the above captioned well.

As stated in said Notice, it is our intention to perforate an additional zone in the Pictured Cliffs Formation and sandfrac same and hope we are successful in obtaining more of a volume of gas than the well is now presently capable of producing.

As you are aware from reports filed with your office, this well had a very small potential and as it now stands, El Paso will not give us a contract for this well. It is our opinion that anything we can do to increase this production will be valuable.

Your immediate approval of the enclosed notice will be very much appreciated.

Very truly yours,

SHAR-ALAN OIL COMPAN

Richard S. Hunt

Manager of Lands & Explorations

RSH/so