PLANET ENGINEERS

INCORPORATED

PETROLEUM ENGINEERING, GEOLOGIC AND GAS PROCESS CONSULTANTS

5 December 1961

1474 MAIN AVENUE DURANGO, COLORADO CH 7-1349

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

> Re: Lemm-Maiatico #1-Government-Western Development Section 5-24N-1E (Transfer of Oil)

Gentlemen:

This is to inform you that 978 barrels of oil have been transferred from the Arellano lease, Section 5-24N-1E, Rio Arriba County, New Mexico to the #1-Government-Western Development in the same section. This oil was used in a fracture treatment of this well and was transported by Trans-Western Trucking on the 2nd of December, 1961.

The oil is being recovered by swabbing and will be sold to Industrial Oil, Inc. as designated on Form C-110 filed on the 31st of July, 1961. See attached request Form C-126.

Very truly yours,

LEMM-MAIATICO

Consulting Petroleum Engineer

DEC11 1961 OIL COM. COM. DIST. 8