

**CHACE OIL COMPANY, INC.**

313 Washington S.E.

Albuquerque, New Mexico 87108

(505) 266-5562

May 25, 1976

Mr. Jerry Long  
District Engineer  
U.S.G.S.  
P.O. Box 1809  
Durango, Colorado

Dear Mr. Long:

On our application to drill the Rusty Navajo # 3 well, located in Unit K 1650' SL & 1800' WL, Section 23, T22N-R7W Sandoval County, New Mexico; we failed to note that we will use a suitable Blowout Preventer to withhold a surface pressure of 1000 psig. Maximum surface pressure 480 psig.

No contractor has been selected and the type BOP is not known.

Thank you for your consideration in this matter.

Sincerely,



Royce McCary

