November 10, 1960

Shar-Alan Oil Company 1402 U.S. National Center Denver 2, Colorado

Gentlemen:

Reference is made to your letter of November 7, 1960 regarding the previous correspondence relating to your #2 H.B. Browning well in Section 33-24N-1N.

We had previously notified you that it would be necessary to post a plugging bond with the State in order to drill this well on Patented Land. You have replied that it is your intention to drill wells under the Mobil Oil Company's bond, as you had previously done on Government wells.

New Mexico Oil Conservation Commission rules require that the principal on the plugging bond and the operator of record be exactly the same. It therefore be necessary that either Irving Pasternak or the Shar-Alan Oil Company post either a one-well, \$5000 plugging bond for this well or a \$10,000 blanket bond with our Santa Fe Office, Box 371, Santa Fe, prior to your commencing drilling operations on this well.

We will hold your Notice of Intention to Drill until we have heard from you further on this matter.

Yours very truly

ECA : ks

Emery C. Arnold
Supervisor, District #3

Control in the section

TAMBO Name of State of States Name of States

in design that the second of t

O L e Vergrein MON CORRES DE LA SERVICIO DEL SERVICIO DE LA SERVICIO DEL S

Long on the content of a con

The result of the Control of the second state of the residence of the control of

Jan 900 Carlo

1 2 a 1 6 a 1

Mary Committee Committee and Committee D