

EASTERN PETROLEUM CO. EASTERN DRILLING, INC.

1ST NATIONAL BANK BLDG.
DENVER 2, COLORADO

June 13, 1960

Mr. A. R. Kendrick, Petroleum Engineer District III 1000 Rio Brazos Road Aztec, New Mexico

CHATCHI

FED #1-22

Re: N-22-24-7

Rio Arriba County, N.M. C-116, May 25, 1960

Dear Mr. Kendrick:

As per our telephone conversation today, it is my understanding that while the allowable given to us effective May 26th was for a total of 270 barrels for the month of May during which time we produced 572.33, that the production overage here may be absorbed by our June allowable of 1,350 which is considerably in excess of the present ability of the well to produce.

To further correct this situation, we will as requested by you run a new and truer gas-oil ratio test and file same with you later this month marking same specifically to be effective as per request on July 1st.

Respectfully yours,

EASTERN PETROLEUM COMPANY Rocky Mountain Division

Tames W. Dean

JWD:JS

UNI 2 1000