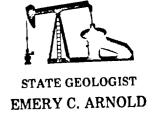


DIRECTOR JOE D. RAMEY

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO 1000 RIO BRAZOS RD. - AZTEC

> 87410 LAND COMMISSIONER PHIL R. LUCERO



April 28, 1977

Mr. T. A. Dugan P. O. Box 234 Farmington, New Mexico

Re: Jerome P. McHugh Chris #2 L-10-27N-3W Balnco-Mesaverde Pool

Dear Tom:

The location of the subject well does not comply with the pool rules.

Please obtain approval of the nonstandard location prior to production of the well.

If there are questions, please contact us.

Yours very truly,

A. R. Kendrick

Supervisor, District #3

ARK:mc