200 Petroleum Club Plana Farmington, New Mexico

September 17, 1962

Mr. A. L. Forter
Secretary & Director
New Mexico Cil Conservation Commission
P. C. Box 871
Santa Fe, New Mexico

Be: Gallegos Canyon Unit #122, Section 18, T-28N R-12W, San Juan County, New Mexico

Dear Mr. Porter:

Sunray DX Oil Company has produced the Gallegos Canyon Unit #122 under authority granted in Administrative Order NFO-537 and extension to the same order dated July 18, 1962.

Since filing our last communication with your office concerning the above well, no change has occurred in conditions concerning the fathering and compression of casing-head gas in this portion of the Totah Field.

I have conferred with the local representative of the Jalou Gas Company on several occasions during the past 60 days. The Jalou Gas Company's thinking is not to extend their gas gathering system or enlarge compressor facilities at this time.

In recognition of the obstacles to an immediate gas connection for this well, Sunray DX Oil Company respectfully requests extension of Administrative Order NFO-537 for the Gallegos Canyon Unit #122 until such time as gas gathering facilities become available.

Sunray DY Oil Company will continue to exert every available effort to connect this well to the gas sales line. Should any new information become available or changes occur in the field conditions, we shall immediately notify your office.

Yours very truly,

SUNRAY DX GIL COMPANY ORIGINAL SIGNED BY E. H. RAMSEY

E. H. Ramsey District Manager

EHR:jm cc: Mr. F. C. Arnold / SEP18 1902 OIL CON. JOM.