



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS  
GOVERNOR

May 4, 1987

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(505) 393-6161

BTA Oil Producers  
104 South Pecos  
Midland, TX 79701

Attn: Dorothy Houghton

Re: Gem 8705 JV-P #1-B  
Section 2, T20S, R33E

Gentlemen:

This will confirm your conversation with Evelyn Downs of this office concerning the permit to drill the above referenced well in the potash area.

We find the surface casing will need to be set at approximately 1350 feet with adequate cement to circulate to the surface.

Also, we are required to wait 10 days from the date the potash companies receive notice of your application before approving your permit to drill. Please furnish us a copy of your certified return receipts indicating date deliveries were made. If you obtain waivers from these companies the 10-day waiting period may be waived and your permit approved.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton  
Supervisor, District I

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*Receipt  
Signature 5-5-87  
dated*

*Can approve 5-15-87  
if no objection received*