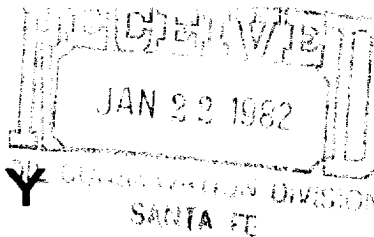


TRUE OIL COMPANY



RIVER CROSS ROAD

January 19, 1982

CASPER, WYOMING
P. O. DRAWER 2360
PHONE 237-9301
82602

Re: Medina #21
NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 25-T24N-R16E
Colfax County, New Mexico

State of New Mexico
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Carl Ulvog

Gentlemen:

Enclosed are five copies of Application For Permit To Drill with three copies of Form C-102, acreage dedication plat relative to the captioned location.

This location was staked 916' FNL and 2293' FWL of Section 25, T24N, R16E as this was the best site considering the relative location of a creek and boggy area to the southwest and the State Highway 120 to the southeast and rock and timber are prevalent to the north.

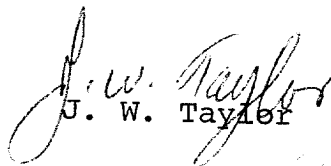
Our \$12,500 plugging bond is being mailed under separate cover this date to the legal section of the State Land Office.

As a rig could be available within 8 to 10 days to drill this well, we shall appreciate your early consideration and approval of this application.

The subject location will be drilled in lieu of the location in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 30, T24N, R17E, the latter of which was applied for previously. However, we may ultimately want to drill this location.

Very truly yours,

TRUE OIL COMPANY


J. W. Taylor

JWT/hn
Enclosure