DORCHESTER EXPLORATION, INC.

1100 MIDLAND NATIONAL BANK TOWER
MIDLAND, TEXAS 79701

AREA CODE 915 683-1866

REBEIVED

February 7, 1978

FEB 8 1978

O. C. C.

Oil Conservation Commission State of New Mexico P.O. Drawer DD Artesia, New Mexico 88210

Attn: Mr. W. A. Gressett

RE: Liggett, et al Com. #1-J-6-19-26 Eddy County, New Mexico

Dear Mr. Gressett:

Your letter of February 6, 1978, advised that approval of our drill application for captioned well was being withheld pending compliance with the new bonding requirements in New Mexico.

The required bond certificate was received by the Santa Fe office on February 2, 1978 and notice of our compliance should be in your office by this time. If you are unable to approve permit to drill this well by February 10, please let me know so I can contact your legal counsel in Santa Fe.

Further, the acreage dedicated to this well is not subject to a gas purchase contract at this time.

Very truly yours,

Toe Bates

Proration Administrator

JB/gb