SHAR-ALAN OIL GOMPANY

1402 DENVER U. S. NATIONAL CENTER

DENVER 2, GOLORADO

September 23, 1963

New Mexico Oil & Gas Commission 1000 Rio Brazos Road Aztec, New Mexico

Attention: Mr. Emery Arnold

RE: Ruth Scammahorn Lease (Rosa Unit)

SW/4 Section 27 - 31N - 4W Rio Arriba County, New Mexico

Gentlemen:

I enclose herewith for approval by your office original and four copies of your form C-101, Notice of Intention to Drill, along with five copies of the Well Location and Acreage Dedication Plat covering the above captioned location.

According to our information, this well is drilled on fee acreage which is a part of the Rosa Unit Agreement, said fee lease more particularly described as follows:

Pan Am # 74492 - Ruth Scammahorn, et ux, Lessor to L. P. Hine, Lessee - Lease dated 3-5-47 described as follows:

H. E. No. 277 in Sections 27 and 28, Township 31 North, Range 4 West, - BEGINNING at Corner No. 1 from U. S. Location Monument No. 1, Jicarilla, bears South 7 deg. 38 min. west 39.37 chains distant; THENCE South 87 deg. 1 min. west 11.90 chains to corner No. 2; THENCE north 1 deg. 5 min. east 34.87 chains to Corner No. 3; THENCE North 49 deg. 22 min. west 23.87 chains to Corner No. 4; THENCE South 77 deg. 25 min. west 12.38 chains to Corner No. 5; THENCE north 16 deg. 22 min. east 14.65 chains to Corner No. 6; THENCE South 73 deg. 35 min. east 15.89 chains to Corner No. 7; THENCE South 45 deg. 30 min. east 33.35 chains to Corner No. 8; THENCE North 42 deg. 24 min. east 14.15 chains to Corner No. 9;



THENCE South 65 deg. 30 min. east 10.23 chains to Corner No. 10; THENCE South 27 deg. 33 min. west 44.46 chains to Corner No. 1, the place of beginning.

The remainder of the W/2 of Section 27, which is to be a part of our Dakota unit is the following:

Federal Lease SF-078894 dated 8-1-48, more particularly described as Section 27: E/2 E/2, SW/4 SE/4, NW/4 NE/4, NE/4 NW/4, and Lots 1 through 8, inclusive.

I am, by carbon copy of this letter, requesting Mr. D. N. Canfield of El Paso Natural Gas Company to prepare and forward to our office for execution a Designation of Sub-operator which will enable us to commence operations for the drilling of this well, and to also furnish us the well number for this location.

Should you require anything additional necessary to approve this notice of intent, please advise.

Very truly yours,

SHAR-ALAN OIL COMPANY

Richard S. Hunt

Manager of Lands & Explorations

RSH/so Enclosures

CC: Pan American Petroleum Corporation

El Paso Natural Gas Company, Farmington, New Mexico

El Paso Natural Gas Company, El Paso, Texas

