



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR

HOBBS OFFICE OCC GEOLOGICAL SURVEY

P. O. Box 187

1957 MAR 21 AM 9 439 Artesia, New Mexico

December 7, 1956

Hudson & Hudson, Partnership
1810 Electric Building
Fort Worth, Texas

Re: Oil and Gas Lease
LS 063813-B

Gentlemen:

Receipt is acknowledged of your "Notice of Intention to Drill" dated December 4, 1956, covering your well No. 1- Saunders located in SE $\frac{1}{4}$ section 35, T. 19 S., R. 33 E., Wildcat Area, Lea County, New Mexico.

Your proposed work is hereby approved subject to the attached sheet for general conditions of approval and subject to compliance with the provisions of the "Oil and Gas Operating Regulations" revised May 25, 1942, a copy of which will be sent you on request and subject to the following conditions:

- (1) Notify this office in sufficient time to arrange for a representative to witness the cementing operations and water shut off tests.
- (2) Furnish this office with two copies of a sample description log from the shoe of the intermediate string of casing to total depth, and/or copies of any electric log or survey run, in addition to five copies on our log of oil or gas well, form 9-130.
- (3) The drilling and casing program shall conform with the rules and regulations of The New Mexico Oil Conservation Commission's Order No. R-111-A, governing the drilling of oil and gas wells within the oil-potash area.

Very truly yours,

John A. Frost
District Engineer

JAF:sm

Copy to: USGS, Carlsbad, New Mexico
Potash Company of America, Box 11, Carlsbad, New Mexico ✓