



Texaco USA
Producing Department

PO Box 3109
Midland TX 79702

June 11, 1985

716778 - LEA COUNTY, NEW MEXICO

Lynx Petroleum Consultants, Inc.
P. O. Box 1666
Hobbs, New Mexico 88241-1666

Attention: Mr. Gary W. Fonay

Gentlemen:

Reference is made to the Application of Lynx Petroleum for Approval of an Unorthodox Well Location, Compulsory Pooling and Dual Completion, Lea County, New Mexico.

It is noted in the application that Lynx alleges that "applicant has sought to obtain the cooperation of all parties".

We would refer you to our letter dated March 28, 1985, in which we stated that your proposal for recompleting in the Queen zone held some interest for us, however, the terms you offered were not acceptable.

Since the well was initially drilled to the Paddock formation and completed, Texaco does not feel that it should pay a part of the initial cost of drilling this test. We would still be interested in participating in the recompletion attempt in the Queen formation, paying our proportionate part of this cost.

Yours very truly,

E. H. Watkins
Manager - Land and Leasing
Texaco Inc.

By



J. H. Clark

JHC-ES

CIL CONTROL AND REGISTRATION
Case No. 8631
Sub No. Lynx
Filed to 10-17-85