111 SANTA FE, NEW MEXICI 195' 1COMPA1 SUNOL OIL EXPLORATION

478 S. FIRST STREET San Jose, Calif. CYpress 4-0264 July 12th, 1951

New Mexico Oil Conservation Commission State Capitol Building Santa Fe, New Mexico

Gentlemen:

Enclosed you will find in triplicate our Notice of Intention to Drill. The bond in the amount of \$25,000. is in the process of issuance and will be amiled to you and filed with the State of New Mexico upon its receipt.

You will note that this well is being drilled in an unorthodox position in relation to property lines due to two things. First, the railroad runs immediately alongside and West of this location, and second, that the road to Dalies also runs between the location of the well and the railroad. This, we leave to your discretion, and pray that this location will be allowed, as this well, as you know, was unintentionally started without permits and was cemented at the depth of 228 feet by the Halliburton Oil Well Cementing Company, landing 10 7/8" casing to this depth. Your notices are still on the rig and no further activity in drilling has been performed to this time.

As we are a California corporation, and never having done business in the State of New Mexico before, we would like to impose upon you that we be notified of any discrepancies that may occur, or any that have occurred in the past, to get us in liter with your procedure.

Certified copies of the survey of this drill site are filed and Pete Sandoval of Los Lunas, New Mexico, a registered land surveyor, did this work and such copies are available for you if this is necessary. You may wish to get in touch with him yourself, or we will be glad to furnish the same for your approval.

Of course, we understand that this permit to drill cannot be issued by your office until the bond is received by you. As this is now in the process of issuance, we hope the delay will not be too great.

Yours very truly,

SUNOL OIL COMPANY By HWade. D. L. Wade General Manager

DLW:mm Encl.(3)