PHONE 622-3770

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CHARLES B. READ PRESIDENT

NORMAN L. STEVENS, JR. VICE-PRESIDENT

JOHN L. ANDERSON, JR. Exploration manager

Read & Stevens, Inc. Oil Producers P. O. Box 2126

Roswell, New Mexico 88201

March 23, 1970

Re:

#1 Trobough NW/4SE/4 Section 1-15S-27E Chaves County, New Mexico

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

Attention: Mr. W. A. Gressett, Supervisor, District II

Dear Sir:

Reference is made to your letter of March 19, 1970, acknowledging receipt of Commission Form C-104 covering the captioned well. As requested therein, we are enclosing six copies of Commission Form C-102, well location and acreage dedication plat, committing the E/2 of Section 1-15S-27E as the proration unit to the above well. This is all State of New Mexico acreage and has been committed to a Communitization Agreement on the State's printed form. We are enclosing four Xerox copies of the letter from the State Land Office granting tentative approval to the Communitization Agreement subject to evidence of completion of a commercially productive well on the committed acreage. Upon receipt of approved completion forms from your office, we will obtain final approval from the State Land Office to this Communitization Agreement.

With reference to your request for Notice of Gas Connection from the gas purchaser on this well, we are unable to furnish this evidence at this time. We have just completed negotiating a contract for the sale of this gas and such contract will be subject to FPC approval and we will be unable to obtain connection from the purchaser until such certification and approval is finalized. When available, this information will be furnished your office.

Yours very truly,

READ & STEVENS, INC.

John L. Anderson, Jr.

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