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## *Burk Royalty Co.*

800 OIL & GAS BUILDING  
WICHITA FALLS, TEXAS 76301  
PHONE (817) 322-5421

March 24, 1980

RECEIVED

MAR 26 1980

O. C. D.  
ARTESIA, OFFICE

Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

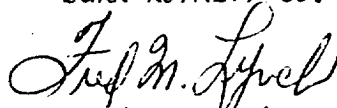
Gentlemen:

We are in receipt of a letter dated March 10, 1980 from Nelson Muncy with regard to a 40 acre non-standard unit located as follows: Alto State No. 1, 1980' N & E, K-4321 State, Chaves County, Sec. 1 - T15S - R29E, Unit G.

Burk Royalty Co. as operator of the Double "L" Queen Waterflood Unit, feel that it is our duty to state that if this well is completed as a gas well as indicated, there would be no objection to an unorthodoxed location. However, if this well should start to produce oil, it would indicate to us that the well is in the same reservoir as the Double "L" Queen Unit and we would therefore have to strenuously object to the continued production of the well unless it is included in the Unit.

Sincerely yours,

BURK ROYALTY CO.

  
Fred M. Lynch

FML/ks

cc: Oil Conservation Division  
P. O. Drawer DD  
Artesia, New Mexico 88210

Working Interest Owners  
Double "L" Queen Unit  
Chaves County, New Mexico