

HONDO DRILLING COMPANY

POST OFFICE BOX 11A 2516
MIDLAND, TEXAS 79701

PHONE: (915) 682-9401

December 13, 1978

Mr. James Knauf, District Engineer,
U.S. Geological Survey Office
Artesia, New Mexico 88210

Dear Mr. Knauf:

RE: Hondo Drilling Company - Proposed Location
Fed. Alscott Com. #4 - 1980' from the East
Line and 1980' from the North Line of Sec.
30 T18S, R29E Eddy County New Mexico

We wish to advise that it has been determined that Bogle Farms, Inc., Dexter New Mexico is the Fee surface owner covering the S/2 of the Ne/4 of Section 30 T18S, R29E, Eddy County New Mexico.

We have this date entered into an agreement with Bogle Farms, Inc., representative Mr. Millard Derreck as requested by Mr. Bill Bogle to prepare our drilling mat and build approximately 2000 feet of access road to our proposed Morrow Test location. All surface lands being owned by Bogle Farms, Inc., and the State of New Mexico.

In the event this well proves to be non productive, upon, abandonment, the well site will be levelled and cleaned, free of all trash or debris. No other restitution requirements were requested by Mr. Derrick.

yours very truly

HONDO DRILLING COMPANY


T.J. Sivley, Vice President

TJS;sd
Office
4 Copies