The 40-acre tract upon which the well will be located and all adjoining 40-acre tracts are Federal acreage and are committed to the Unit agreement.

Continental Gil Company, as Unit operator, respectfully requests permission to locate the proposed wildcat well (H. W. Bass No. 1) at a location 470 feet from the South line and 850 feet from the East line of Section 5, Township 22 South, Range 21 East, N.M.P.M., in order to take advantage of a natural shelf in the canyon wall and thus reduce the cost of preparing the location site by approximately \$15,000.

Yours truly,

E. L. SHAFER Supt., New Mexico District West Texas-New Mexico Division Production Department

BLS-KFM

