

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

> P. O. Drawer U Artesia, New Maxico

> > May 22, 1964

Mr. John H. Hill 3002 Southland Center Dallas, Texas

Re: New Mexico 01165 Empiring May 31, 1964

Dear Mr. Hill:

Your Notice of Intention to Drill well No. 1 Yates Federal (copy attached) in the SEASEX, sec. 17, T. 20 S., R. 29 E., N.M.P.M., Eddy County, New Mexico to a depth of 1,500 feet to test the Yates-Seven Rivers formations is hereby approved subject to compliance with the provisions of the Oil and Gas Operating Regulations and subject to the following conditions:

- 1. Drilling operations so authorized are subject to the attached sheet for general conditions of approval.
- 2. A daily progress report is to be furnished in duplicate from spud data until completion of the well.
- 3. Drilling rig must not be moved from well without prior approval from the Survey (30 CFR 221.34c).

If the lease is to be considered for extension by diligent drilling operations, the lease rental must be timely paid.

Sincerely yours,

Robert L. Beekman Acting District Engineer

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