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November 29, 1966

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Mrs. Donna Holler Oil Reports and Gas Services P. O. Box 763 Hobbs, New Mexico

Dear Mrs. Holler:

We have your letter of November 16, 1966 regarding the proposed oil well to be drilled in Section 32, Township 20 South, Range 30 East, (660 feet from the South line and 1650 feet from the West line) Eddy County, New Mexico, to be designated as the Yates State No. 1 with Stoltz & Company as operator.

Duval Corporation, a potash producer with valuable ore reserves and open mine workings in the immediate area, does not object to the above described location provided:

- 1. The well be drilled vertically and that the casing and cementing program be as good as or better than the requirements of Order No. R-111-A of the New Mexico Oil Conservation Commission.
- 2. That Duval Corporation be contacted and agree to any additional locations that are proposed for drilling in this area.

Very truly yours,

DUVAL CORPORATION

T. H. Pate, Resident Manager Carlsbad Properties

Mr. A. L. Porter, Jr. New Mexico Oil Conservation Commission Santa Fe, New Mexico

Mr. Robert Fulton United States Geological Survey Carlsbad, New Mexico

Oil Conservation Commission γ Drawer DD Artesia, New Mexico

THP/c1

cc: Mr. Dave Rice Potash Company of America Carlsbad, New Mexico

> Mr. J. S. Wright U. S. Borax & Chemical Corporation Carlsbad, New Mexico

Mr. J. A. Anderson United States Geological Survey Roswell, New Mexico