

*L. O. Storm**Hobbs, New Mexico* HB240

December 20, 1971

Potash Company of America
P. O. Box 31
Carlsbad, New Mexico 88220

Attention: Mr. H. N. Clark
Vice President of Operations

Re: Elwyn C. Hale Federal Well No. 2
Sec. 22, T-20-S, R-30-E, Eddy County, New Mexico
Proposed 12,500 foot Morrow test

Dear Mr. Clark:

Thank you for acceptance of our letter of December 9 indicating Potash Company of America would have no objection to drilling of the captioned well at a surface location 1650 feet from the South Line and 1650 feet from the West Line of Section 22, T-20-S, R-30-E.

Upon inspection of this proposed location we find it situated in a narrow, main drainage wash of the general area, and therefore as poor a site topographically as we could have selected. As pointed out in our telephone conversation of December 18, construction of a suitable site for a large rotary rig we estimate would be inordinately expensive at the location you have agreed upon. Movement of the location 150 feet due east would provide considerable relief both as to construction cost and long-range surface drainage problems.

Accordingly, we respectfully request that Potash Company of America agree to a relocation of the proposed well 1650 feet from the South Line and 1800 feet from the West Line of Section 22. If you would have no objection to this last proposed well location, would you please so signify by signature below and return of two executed copies of this letter.

All other conditions relating to the drilling of the proposed well will remain unchanged from those outlined in our letters of November 26 and December 9, 1971.

Yours very truly,

L. O. Storm
for Elwyn C. Hale

Potash Company of America has no objection to relocation of the proposed well to a surface location 1650 feet from the South Line and 1800 feet from the West Line of Section 22, T-20-S, R-30-E, Eddy County, New Mexico.

For Potash Company of America *H. N. Clark*Date: 12/20/71

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U. S. GEOLOGICAL SURVEY
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