

well file

February 6, 1961

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Mr. J. E. Reeves, Assistant Manager
Office of Tests
U. S. Atomic Energy Commission
P. O. Box 4500
Albuquerque, New Mexico

O. C. C.
ARTESIA, OFFICE

Dear Mr. Reeves:

Permission is requested to drill a wildcat well in the NW/4 NW/4 Section 32, T-23-S, R-31-E, approximately 3-3/4 miles from Project Gnome site. If the following stipulations are acceptable, please notify the New Mexico Oil and Gas Conservation Commission, District Supervisor, at their Artesia, New Mexico offices.

I am under contract for development with Continental Oil Company whereby I must drill this well to the Delaware Sand at a depth estimated to be 4550 feet below the surface of the earth, and in the event this is a commercial oil and/or gas well, Continental will assign me a divided interest in alternating 80 acre tracts out of this section. Therefore, Continental Oil Company has no interest whatsoever in this test or the well, if completed.

To protect the lease covering the location mentioned above, I must start drilling on or before February 10, 1961; therefore, prompt action will be appreciated.

The following stipulations are made:

(a) I will furnish to the Atomic Energy Commission, free of charge, all available exploratory, drilling and core information obtained as a result of my drilling at the location;

(b) At the direction of the Project Manager prior to the Gnome event, I will fill the casing of any producing well that results from my drilling with oil or mud to the satisfaction of the Project Manager and at my own expense, and without any charge whatsoever to the Government. I also agree to leave such

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Albuquerque, New Mexico

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I am under contract for development with Continental Oil Company whereby I must drill this well to the Delaware Sand at a depth estimated to be 4550 feet below the surface of the earth, and in the event this is a commercial oil and/or gas well, Continental will assign me a divided interest in after-lying 80 acre tracts out of this section. Therefore, Continental Oil Company has no interest whatsoever in this test or the well, if completed.

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Page 2 ARTESIA, OFFICE

fill in place until removal thereof is authorized by the Project Manager;

(c) I hereby waive all claims against the Government based on damages occurring or alleged to occur to the well as a result of the Gnome event;

(d) I agree to allow the Atomic Energy Commission to instrument the well prior to the Gnome event, whether or not the well is productive.

I sign this waiver without prior counsel with the understanding and agreement that any liability is waived that might occur within our present knowledge of any possible damage arising from this test, but with the understanding that if there is any negligence on the part of the Government, or the test results in damage far in excess of present estimates, I then feel that I have recourse in equity for any damage.

Yours very truly,


J. A. Leonard

JAL:cb

cc: Mr. E. Wynkoop
A.E.C.
P. O. Box 632
Carlsbad, New Mexico

Mr. M. L. Armstrong
Drawer DD ✓
Artesia, New Mexico

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1961 FEB 3

February 6, 1961
Page 2

Mr. J. E. Reeves

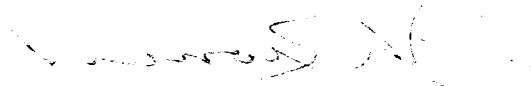
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Yours very truly,


J. A. Leonard

JA:cc

cc: Mr. E. Wyckoop
A.E.C.
P. O. Box 632
Carlsbad, New Mexico
Mr. M. L. Armstrong
Drawer DD
Alameda, New Mexico