J. M. Huber Corporation 1900 Wilco Building Midland, Texas 79701

August 24, 1972

OIL AND GAS



Mr. Jim Knauf District Engineer U.S.G.S. Drawer U Artesia, New Mexico 88210

> Re: Application to Drill O'Neill - Federal No. 1 1980' FN&EL Section 23, T-23-S, R-26-E, Eddy County, New Mexico

Dear Mr. Knauf:

Enclosed are 5 copies of Form 9-331-C application for permit to drill the above referenced well. Also enclosed are 5 copies of the surveyor's plat, and 5 copies of our outlined recommended drilling mud program and B.O.P. program.

Attached are 5 copies each of our plat showing rig, reserve pit, pipe rack, steel mud tank layout and use of existing access road to location. Fresh water supply will be from water well we drilled in Section 14-T23S-R26E for the Terra-State No. 1 located approximately one-half mile north of this location. Brine water supply will be trucked by oil field haulers from a lake near Malaga.

If we are successful in developing production from this well, 5 copies of our plat showing production facilities layout are also attached. All reserve pits will be backfilled, and location will be cleaned up and restored. The pad will remain as is to allow ample room for possible future access to work over this well. Water disposal, if any, will be handled by truck to approved disposal facilities.

If there are any questions or if clarification is needed for these enclosures, please contact this office.

RECEIVED

SEP 7 1972

D. C. C. ARTESIA, OFFICE