



United States Department of the Interior

GEOLOGICAL SURVEY

RECEIVED

SEP 10 1973

P. O. Drawer U
Artesia, New Mexico 88210

D. C. C.
ARTESIA, OFFICE

August 30, 1973

Mr. Michael P. Grace
Post Office Box 1413
Carlsbad, New Mexico 88220

Dear Mr. Grace:

Re: NM 0431054

Receipt is acknowledged of your "Application for Permit to Drill" dated August 27, 1973, covering your No. 1 Cotton Baby well on the subject land in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 34, T. 22 S., R. 31 E., wildcat area, Eddy County, New Mexico.

Your proposed work is hereby approved subject to compliance with the provisions of the "Oil and Gas Operating Regulations" a copy of which will be sent you on request, and subject to the following conditions:

1. Drilling operations so authorized are subject to the attached sheet for general conditions of approval.
2. The 13-3/8" casing shall be set in the Rustler Anhydrite at an approximate depth of 800 feet. The 13-3/8" and the 9-5/8" casing strings shall be cemented with sufficient cement to circulate cement to the surface. Notify this office in sufficient time so that a representative of the Survey may witness the cementing of each casing string.
3. Progress reports should be submitted daily beginning with the spudding of the well and continuing until the well is completed. If operations on the well are conducted less than 24 hours per day, show number of hours worked.

You are reminded the lease will terminate August 31, 1973, unless the rentals are timely paid.

Sincerely yours,

(Orig. S&W) JAMES A. KNAUF

James A. Knauf
District Engineer

RECEIVED

SEP 10 1973

D.C.C.
WASHINGTON