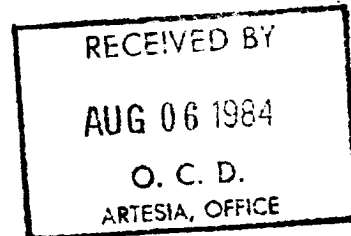


Barclay Federal

August 3, 1984

Union Oil Company of California
P.O. Box 67
Midland, TX 79702



Dear Sir:

Your application for Permit to Drill well No. 1 Barclay Federal in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 1, T. 23 S., R. 31 E., Eddy County, New Mexico, lease NM-22080, to a depth of 15,500 feet to test the Morrow formation in the oil-potash area, is hereby approved as amended by stipulations attached to the application.

One copy of the application is returned herewith. Please notify the Bureau of Land Management office checked on the attached special stipulation, in sufficient time for a representative to witness all cementing operations.

Sincerely yours,

Orig. Sgd. Earl R. Cunningham

District Manager

Enclosure

cc: NMOC (2)
BLM-Carlsbad
DMM-Mining (2)

GLASS/ldr/080384/0672M