

RALPH E. WILLIAMSON
626XXX VAUGHN BUILDING Box 16
MIDLAND, TEXAS 79701

AREA CODE 915
888-2200

May 13, 1974

RECEIVED

MAY 14

O. C. C.
ARTESIA, OFF

Mr. N. O. Fredrick
P. O. Drawer 1857
Roswell, New Mexico 88201

Dear Mr. Fredrick:

J. C. Williamson has recently completed a small gas well in Eddy County, Section 27, T-26S, R-30E, the #1 Ross Draw Unit. A gas contract has not been signed and probably won't be, until further development, to merit a pipeline company's laying to this well or wells.

In the respect of further development, we wish to use gas from the #1 well to drill the #2 in Section 34 and the #3 in Section 27. The #3 well is on the same lease as the #1.

The C-104 is being mailed this date and a copy is enclosed for your file.

Please advise this office either by letter, or call collect, as to how the gas is to be calculated from this well and how we are to pay the royalties, if any, on the rig fuel. Also, it will be helpful if you can advise us of any additional forms which might be required in respect to this well.

Yours very truly,

Shirley O'Neil
Shirley O'Neil
(Secretary)

so'n
encl

cc: New Mexico Oil Conservation Commission
Drawer "DD"
Artesia, New Mexico 88210