

Drawer 600  
Farmington, New Mexico 87401

July 22, 1981

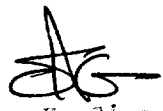
Henson-Montin-Greer Drilling Corp.  
221 Petroleum Center Building  
Farmington, New Mexico 87401

Gentlemen:

Reference is made to your Application for Permit to Drill (APD) well  
No. 22 (F-20) Canada Ojitos Unit, in the 36th N. 20, T. 26 S.,  
E. 1 W., Rio Arriba County, New Mexico, on lease No. 88-13607,  
approved on July 16, 1981.

The enclosed stipulation will apply to the reference APD.

Sincerely yours,

  
For James F. Sims  
District Oil and Gas Supervisor

Enclosure

cc: BLM, Albuquerque  
USCS - Albuquerque  
EMOCC  
Well file (approved)  
Chronological file

FGBecher:lje





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DD.  
T.P.

"This approval is granted with the stipulation that after drilling operations cease, the well be tested to the satisfaction of the Deputy Conservation Manager, Oil and Gas, USGS, to determine if the well is in communication with the Niobrara-Greenhorn reservoir that exists in the original Canada Ojitos unit area. It is further stipulated that if such communication is shown, all lands proven productive or necessary for unit operations in this lease within the designated expanded Canada Ojitos unit area be committed to the Canada Ojitos unit agreement and unit operating agreement. This stipulation is attached pursuant to the provisions of Section 2(b) of the lease instrument.

You are hereby advised that this section may be appealed pursuant to 30 CFR 290."

The above stipulation will no longer apply once a lease is committed to the unit agreement.

