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January 26, 1979

Mr. P. T. McGrath District Engineer U.S. Geological Survey P. O. Box 959 Farmington, NM 87401

Re: Lease NM-03603-A

NE/4 and E/2 Sec. 26, T27N, R8W, NMPM

Designations of Operators

Dear Mr. McGrath:

At the request of Mr. W. C. Russell, the present Designated Operator, Great Lakes Chemical Corporation, the owner of the subject Federal lease will take over on February 1, 1979 the operation of the Mesa Verde gas well known as the W. C. Russell Hammond #55, located in the NE/4 of Section 26 in T27N, R8W, San Juan County. Mr. Russell has no working interest in this well. This move will bring the operation of both Mesa Verde wells in the E/2 of Section 26 under the same operator, Great Lakes Chemical, and will allow better coordination with the newly completed GLCC Hammond #6 well.

In order to carry out this transfer we request the following change:

Please Cancel (Effective February 1, 1979):

 Designation of Operator dated July 1, 1978 to W. C. Russell for the NE/4 of Sec. 26 below the base of the Pictured Cliffs formation.

Let Stand on the Record:

- 1. Designation of Operator dated July 1, 1978 to W. C. Russell for the SE/4 of Sec. 26, below the base of the Pictured Cliffs formation and above the base of the Chacra formation.
- 2. Designation of Operator dated September 12, 19 to W. C. Russell for the E/2 of Sec. 26 below the base of the Mesa Verde formation.



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With these changes Great Lakes Chemical Corporation, as the lease owner, will be the Designated Operator for the Mesa Verde formation in the entire E/2 of Sec. 26.

In order to satisfy the requirements of the New Mexico Oil Conservation Commission relative to the numbering of wells and the establishment of allowables in the proration unit we also enclose for your approval:

- 1. Form 9-331 (Sundry Notice) changing the Operator of the #55 Hammond well
- 2. Form 9-331 (Sundry Notice) changing the number of the GLCC #6 Hammond to the #55-A Hammond

Many thanks for your continued assistance in carrying out the changes we have requested during the last several transition years.

Sincerely,

E. Wm. Eipper

Senior Staff Executive

EWE:drd Attach.

cc: New Mexico Oil Conservation Division 1000 Rio Brazos Rd.

Aztec, NM 87410

Attn: Mr. A. R. Kendrick

Mr. W. C. Russell 745-5th Avenue New York, NY 10022

