

Drawer 600
Farmington, New Mexico 87401

May 20, 1961

Southland Royalty Company
P. O. Drawer 570
Farmington, New Mexico 87401

Gentlemen:

Reference is made to your well No. 14-A Mgs. SE¹4E¹4, sec. 13, T. 30 N., R. 11 W., San Juan County, New Mexico, lease No. Santa Fe 078144. A check of our records indicates that the aforementioned well is located on lease No. Santa Fe 078144 rather than Santa Fe 078138 as shown on the Application for Permit to Drill. Please revise your records accordingly.

This office has no record of a Designation of Operator authorizing Southland Royalty Company to complete a well in the Mesaverde Formation on lease Santa Fe 078144, SE¹4E¹4, sec. 13, T. 30 N., R. 11 W. A Designation of Operator from the lessee of record or the Mesaverde operating rights owner will be required within 30 days of the date of this letter.

Please be advised that a Communitization Agreement for the Mesaverde Formation, covering the acreage dedicated to the well, must be filed for approval with the U. S. Geological Survey, P. O. Box 26124, Albuquerque, New Mexico 87125. The effective date of the agreement must be prior to any sales of products from the Mesaverde Formation.

This matter was discussed in a telephone conversation, between Mr. Bob Fielder of your office and Mr. Axel Becher of this office, May 19, 1961.

Sincerely yours,

James F. Sims
District Oil and Gas Supervisor

cc: SCR
BLM - Farmington
NMOCC
Well file (perm.)
Chronological file

Suspense (Drig.)

EGBecher:lje

