EMPIRE STATE OIL COMPANY

0

P. C). Box 871

THERMOPOLIS, WYOMING

April 15, 1966

R. C. McREYNOLDS
VICE PRESIDENT
U. S. EXPLORATION

Standard Oil Company of Texas Box 1660 Petroleum Life Building Midland, Texas 7970/

Attention: Mr. J. L. Lawton, Division Engineer

Gentlemen:

In connection with a well stimulation program on Ute Mountain Tribal Lease Contract No. 14-20-604-82, San Juan County, New Mexico, we plan to steam soak the following well on an experimental basis:

Southern Union Gas Company Ute Indian No. 2 (2.2), located 700 feet from the South line and 1,940 feet from the East line of Section 20, Township 31 North, Range 14 West, New Mexico Principle Meridian.

By executing and returning one copy of this letter to us, will you, as an offset operator, please evidence your waiver of any objection to our proceeding with this experimental project. The executed copy will then be filed with the New Mexico Oil Conservation Commission together with appropriate application forms to enable us to proceed with this project without formal notice and hearing. Your cooperation is appreciated.

Very truly yours,

EMPIRE STATE OIL COMPANY

R. C. McReynolds

Vice President

The undersigned hereby assent to the experimental steam soak project described above, agree that Empire may proceed with said project, and state that they have expressly waived all objection to Empire's proceeding with said project and to its proceeding, with permission of the New Mexico Oil Conservation Commission, without formal notice and hearing before said Commission. This agreement and waiver shall be binding upon the undersigned, its successors and assigns.

Standard Oil Company of Texas

By Datitum