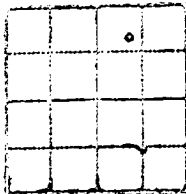


ARTESIA OFFICE COPY
UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

P. O. Box 187
Artesia, New Mexico



May 13, 1946

Noted
J. A. Frost

William Mansfield
Blanco, New Mexico

Re: Santa Fe 045646-A

Dear Sir:

Receipt is acknowledged of your "Notice of Intention to Drill" dated May 6, 1946, covering your No. 3 well on the subject land in the NW 1/4, section 29, T. 30N., R. 9W., Blanco Field, San Juan County, New Mexico.

Your proposed work is hereby approved subject to compliance with the provisions of the "Oil and Gas Operating Regulations" revised May 25, 1942, a copy of which will be sent you on request, and subject to the following conditions:

1. Drilling operations so authorized are subject to the attached sheet for general conditions of approval.
2. Save extra set of samples for State Bureau of Mines, who will furnish sample bags and arrange to pick them up.
3. Advise the Artesia office of the U.S. Geological Survey before changing plans or running casing so that a complete understanding may be had concerning this wildcat test.

Yours very truly

Frank B. Stahl

FRANK B. STAHL
Acting District Engineer



JAF:js
CC: Mr. R. L. Bates

PLEASE READ BEFORE STARTING OPERATIONS

Because suspension of field operations will be required by the District Engineer for failure to comply with the Operating Regulations and the conditions of drilling approval, particular attention is called to those general and special requirements most likely to be overlooked by the operator:

GENERAL

1. All drilling and producing wells shall be permanently marked in a conspicuous place with the name of operator, lease name, well number, and location. Necessary precautions must be taken to preserve such signs.
2. Any desired change of drilling plan or conditions of approval must have the written approval of the District Engineer BEFORE the change is made.
3. Unless otherwise specified in the approval to drill, the production string of casing must be set at the top of the pay zone, and completion shall be made with a reasonable gas-oil ratio.
4. Before work is started written approval must be obtained and after work is completed results must be reported to the U. S. Geological Survey by submitting complete information in triplicate on form 9-331a, covering:
 - a. Mudding or cementing, including proposed date and method of testing water shut-off.
 - b. Drill-stem tests or perforating.
 - c. Casing alterations, packer settings, or repairs of any kind.
 - d. Shooting, acid treatment, deepening or plugging back.
 - e. Gas-lift installations.
 - f. Drilling of water wells.
5. Monthly report of operations in duplicate, on form 9-329, must be submitted promptly each month beginning with spudding of the first well on a lease and continuing until approved abandonment of all drilling and producing operations.
6. Log, in triplicate, on form 9-330, must be submitted within 10 days of reaching temporary or permanent drilling depth. Copies of all electrical logs, cutting logs, drilling-time logs, and any other well information not given on the standard form, should be attached to same.
7. Separate application to drill any water well on federal land is required, and special procedure is necessary for abandonment of any well having a desirable water supply.
8. All wells and lease premises shall be maintained in first class condition with due regard to safety, conservation, appearance, and refuse disposal.
9. The notice of intention to drill any well is rescinded without further notice if drilling is not started within 90 days of approval.
10. Cement must be allowed to set a minimum of 72 hours on all strings of casing prior to drilling the plug.

SPECIAL (none, if so indicated.)