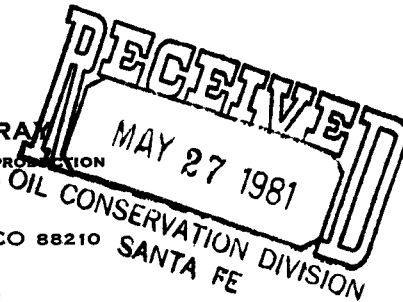


RALPH L. GRAY
PETROLEUM ENGINEERING - PROTECTION
CONSULTANT
P. O. BOX 198
ARTESIA, NEW MEXICO 88210



May 26, 1981

NSL - 1374
Rule 104 F
Immediate

State of New Mexico
Energy and Minerals Dept.
Oil Conservation Division
P. O. Box #2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey, Director

Dear Sir:

William A. & Edward R. Hudson have made application to drill their Puckett "B" well #30 as a producing well to be located 2615' from the south and 380' from the east lines of Section 25, Township 17 South, Range 31 East, Eddy County, New Mexico.

Under Order No. R-5473 Hudsons were given approval to drill a location 2615' from the south and 330' from the east lines of Section 25. It was necessary to move the location 50' west of the location approved in order to be a sufficient distance away from a water supply line.

In our original application, Continental Oil Company wrote a letter expressing no objection to the 330' location and since this is being moved 50' further from their lease line, I am sure they would have no objection to this move.

We would appreciate your prompt approval since we will soon be ready to drill this well and we were previously of the opinion that we had sufficient flexibility to drill the well without any further approval.

Sincerely,

RALPH L. GRAY

RLG:1w

cc: Mr. Bill Gressett
Oil Conservation Division
Artesia, New Mexico