

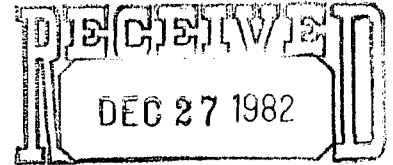


IN REPLY
REFER TO:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

505 MARQUETTE AVENUE, N.W., SUITE 815
ALBUQUERQUE, NEW MEXICO 87102



DEC 27 1982 OIL CONSERVATION DIVISION
SANTA FE

Case 7364

Gulf Oil Exploration and Production Company
P. O. Box 1150
Midland, Texas 79701

Gentlemen:

The East Chosa Draw Unit Agreement, No. 14-08-0001-19572, Eddy County, New Mexico, was approved January 15, 1982, effective as of that date. The term of the agreement is contingent upon the unit operator drilling one well at a time, allowing not more than six months time between the completion of one well and the beginning of the next, until a well capable of producing unitized substances in paying quantities is completed.

The East Chosa Draw Federal #1 well was plugged and abandoned on April 4, 1982, making the commencement of drilling operations on the second well due by October 4, 1982.

Inasmuch as the second unit test well was not commenced, the East Chosa Draw Unit Agreement is considered to have terminated automatically as of October 4, 1982, pursuant to Section 9 of the unit agreement.

Sincerely yours,

(ORIG. SGD.) JAMES W. SHELTON

FOR Gene F. Daniel
Deputy Minerals Manager
Oil and Gas

cc:
Comm. of Public Lands, Santa Fe
NMOCD, Santa Fe