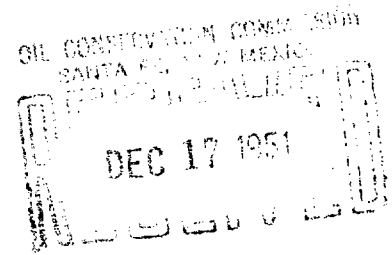


THOMAS J. QUIGLEY
OIL EXPLORATION
311 BANK OF AMERICA BUILDING
BEVERLY HILLS, CALIFORNIA
BRADSHAW 2-4903 CRESTVIEW 1-7829



December 15, 1951

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

In Re: Case 330
(Proration Blanco Mesa Verde
Gas Pool)

Gentlemen:

The writer was one of the earliest operators in the area above described and is still the owner of royalties and leases and operating interests in several thousand acres in the area.

Long before Mr. Florance drilled the first well which really opened up that Blanco Mesa Verde area, the writer endeavored to interest Stanolind as well as many other companies in prospecting the Blanco Largo Canyon area and turned over some of his land to Mr. Florance in an effort to get the area drilled. So my associates and I are thoroughly familiar with the area, having practically pioneered it.

We have given the matter considerable study and are convinced that proration at this time is ridiculous and would discourage considerable drilling.

I am just in receipt of a letter from one of the largest companies in the United States which is now actively operating in the San Juan basin. I brought them in, personally, after considerable effort and they are now developing some of my lands. They have already drilled a couple of wells on my land and I wrote them ten days ago, asking them about their development plans for 1952 and I quote from a letter received from them just yesterday:

"We understand that plans are afoot for proration and one of the companies interested in that area has applied for proration of production.

"Our future development will depend somewhat on developments as to market and price and the results of efforts to prorate production."

Here is concrete evidence that even the thought of proration has immediately slowed up development. There is no question about its harmful effect upon the Basin at this time.

We sincerely trust you will reject Stanolind's application.

Cordially yours,

Thomas J. Quigley
Thomas J. Quigley

TJQ:m

