

APPLICATION NO. _____

PERMIT NO. WPP-22

OFFICE OF THE COMMISSIONER OF
PUBLIC LANDS

Santa Fe, New Mexico

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
Moab EXHIBIT No. 3
CASE 1225

PERMIT TO PROSPECT FOR WATER

(Sections 132 to 136 Code of 1929)

KNOW ALL MEN BY THESE PRESENTS, That the State of New Mexico,

by MURRAY E. MORGAN, its Commissioner of Public Lands,

in consideration of the filing of an application for a water prospecting permit

by THE UTEX EXPLORATION COMPANY, INC. of P.O. BOX 622, ABILENE, TEXAS,

and of the payment of the sum of TWENTY FIVE Dollars

(\$ 25.00), has granted and does hereby grant a permit to the said

UTEX EXPLORATION COMPANY, INC of the exclusive right for Ninety (90) Days
or until: May 27th, 1957

from date hereof to prospect for water, but for no other purpose, on the

following described land to-wit:

<u>Subdivision</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rge.</u>
SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$	15	16S	29E
All	16	"	"
W $\frac{1}{2}$ W $\frac{1}{2}$	18	"	"
W $\frac{1}{2}$ W $\frac{1}{2}$ (Lots 1, 2, 3, 4.), S $\frac{1}{4}$ SE $\frac{1}{4}$	19	"	"
SW $\frac{1}{4}$ SW $\frac{1}{4}$	20	"	"
S $\frac{1}{4}$ NE $\frac{1}{4}$	21	"	"
NE $\frac{1}{4}$ NW $\frac{1}{4}$	22	"	"

This permit is granted subject to any prior, valid and existing rights and upon the following terms and conditions which are hereby imposed upon the permittee__ and assented to by said permittee__ upon the acceptance hereof.

1. The prospector__ will be required at the termination of this permit to make a written statement to the State Land Commissioner, setting forth in his own natural way and language such information and knowledge as he may have acquired or disclosed in the prospecting work upon this land, relating to the possible existence of any water thereon.

2. The prospector__ will also be required to fully protect the rights of all agricultural and grazing leases which may have been heretofore granted, as to the damage to any crop, and by erecting and keeping closed gates in all fences which may be opened and enclosing or keeping covered all shafts, holes or open cuts for the protection of stock grazing upon such premises.

On or before the termination of the 90 day prospecting privilege granted as above stated, the said prospector__ may make an application for a lease upon the land on which he actually performed prospecting development which shows indications of water of sufficient value to warrant the undertaking of further development. Upon failure of the prospector__ to make such application for a water lease within the time hereinbefore specified, this permit shall be automatically forfeited and become null and void.

3. The State of New Mexico expressly reserves the right to lease, sell or otherwise dispose of the surface of the said lands and to grant rights of way and easements upon, across and through the same for any and all lawful purposes.

4. The permittee__ shall have the right of ingress and egress to, from and across the said lands for all proper purposes necessary, incident and convenient to the conducting of prospecting thereon.

5. The Commissioner of Public Lands expressly reserves the right and authority to cancel this permit for failure of the permittee___ to comply with any of the conditions hereof after thirty day's notice in writing, specifying the reason for such cancellation.

6. Upon discovery of commercially valuable water on the said lands and full compliance of the terms and conditions of this permit the permittee___ shall upon proper application file therefor during the life of the permit be entitled to a water lease covering the said lands as provided by statute.

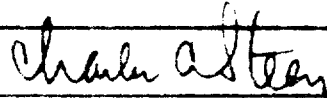
DATED this 27th day of February 1957 .

STATE OF NEW MEXICO


Commissioner of Public Lands

The Utex Exploration Company, Inc. hereby agree to the conditions as set forth in the a Corporation of the State of Utah

above permit, and herewith return to you the original and one copy duly signed.

 President
Prospector_