POTASH COMPANY OF AMERICA

GENERAL SALES OFFICES : 1625 EYE STREET : N · W · WASHINGTON 6 · D · C · SOUTHERN SALES OFFICE · 408 · 9 CANDLER BLDG · ATLANTA · GA · MIDWESTERN SALES OFFICE · FIRST NATIONAL BANK BLDG · PEORIA · ILL ·



OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT NO.

REPLY TO:

EXECUTIVE OFFICES
MINES AND REFINERY
CARLSBAD · NEW MEXICO

April 16, 1957

Hudson & Hudson, Inc. 1810 Electric Building Ft. Worth, Texas

Re:

Hudson & Hudson - Hover

Federal #1

NESE Sec. 28, T 20 S, R 34 E

Gentlemen:

A copy of your letter of April 10 to Mr. A. L. Porter and the New Mexico Oil Conservation Commission requesting a hearing for an exception to the casing program set forth in Rule R-111-A, relative to the above mentioned well, has been received.

Potash Company of America has no objections to your program as outlined, provided the order, when issued by the Oil Conservation Commission, contains the paragraphs quoted from Case No. 1215, Order No. R-968, dated March 22, 1957, listed below:

Findings - Nos. 5, 6 and 7 Ordered - Nos. 2, 3 and 4

Yours very truly,

D. E. Protz

Chief of Exploration

DEP. nina

1/46/57 @ 10:00 4 %! Case No. 1215 Order No. R-968 March 22, 1957

FINDINGS:

- 5. That the production string should be cemented throughout its entire length in the event commercial oil or gas production is encountered.
- 6. That the aforementioned casing program will confine the water, oil and gas to the strata in which they naturally occur and will afford adequate protection for the potash deposits in the area.
- 7. That in any event, the applicant should make adequate provisions for the protection of potash deposits in the area.

ORDERED.

- 2. That in the event commercial oil or gas production is found, the applicant may pull all other casing except the production string.
- 3. That the production string be cemented throughout its entire length in the event commercial oil or gas production is encountered.
- 4. That, notwithstanding the foregoing, the applicant shall make adequate provisions for the protection of the potash bearing strata regardless of the conditions encountered in drilling said well.

SEP.

DOMESTIC SE	RVICE			
Check the class of service desired; otherwise this message will be sent as a fast telegram				
TELEGRAM				
DAY LETTER				
NIGHT LETTER				

WESTERN UNION

TELEGRAM

W. P. MARSHALL, PRESIDENT

	INTERNATIONAL SERVICE	E		
	Check the class of service desired; otherwise the message will be sent at the full rate 5) FULL RATE			
5)				
	LETTER TELEGRAM			
	SHORE-SHIP	$\overline{}$		

NO. WDSCL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ALCOUNT OF	TIME FILED
	COLLECT			11:30 a.m.

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Ε

HUDSON & HUDSON, INC. ELECTRIC BLDG. FT. WORTH, TEXAS APRIL 26, 1957

RE CASE 1249, EXCEPTION FROM CASING AND CEMENTING REQUIREMENTS POTASH-OIL AREA.

YOU ARE HEREBY AUTHORIZED TO PROCEED WITH DRILLING, CASING, AND CEMENTING HOVER
FEDERAL NO. 1 WELL IN ACCORDANCE WITH YOUR APPLICATION DATED APRIL 10, 1957, AND
WITH TESTIMONY PRESENTED AT HEARING, PROVIDED SATURATED SALT SOLUTION IS USED IN
ACCORDANCE WITH SECTION V, ORDER R-111-A.

A. L. PORTER, JR. N.M. OIL CONSERVATION COMMISSION

TYPEWRITTEN COPIES MAILED TO:

LAMAR LUNT, SANTA FE
POTASH CO. OF AMERICA, BOX 31, CARLSBAD, N.M.
ATTN. D. E. PROTZ

P. O. BOX 871 SANTA FE, NEW MEXICO

Hay 14, 1957

Mr. Lamar Lunt Zia Road Santa Fe, New Mexico

Dear Sir:

We enclose two copies of Order R-999 issued May 10, 1957, by the Cil Conservation Commission in Case 1249, which was heard on April 26th at Santa Fe.

Very truly yours,

A. L. Porter, Jr. Secretary - Director

bp Encls.

P. D. BOX 871 SANTA FE, NEW MEXICO

May 14, 1957

Mr. D. E. Protz Potash Company of America Box 31 Carlsbad, New Mexico

Dear Sir:

We enclose a copy of Order R-999 issued May 10, 1957, by the Oil Conservation Commission in Case 1249, which was heard on April 26th at Santa Fe.

Very truly yours,

A. L. Porter, Jr. Secretary - Director

bp Encl.