

CAL-MON OIL COMPANY

304 B. MARIENFELD

MIDLAND, TEXAS 79701

December 29, 1969

L. MONAGHAN
RESIDENT

RECEIVED

Re: Section 6, T-23-S, R-27-E 1389
Eddy County, New Mexico
SOUTH CARLSBAD AREAMobil Oil Corporation
P. O. Box 820
Roswell, New Mexico

Attention: Mr. James L. Posey

Gentlemen:

As per our recent letters and telephone conversations, please be advised that we have now received approval from Pennzoil for a farmout for the re-entry and deepening of the Morris R. Antweil No. 1 Missouri and New Mexico Land Company well located in Section 6 to a depth of 11,600' or to a depth sufficient to test the Morrow formation.

Please proceed with the preparation of your agreement in favor of Mabee Royalties, Inc., 201 First Savings and Loan Building, Midland, Texas, and it would also be appreciated if you would furnish us with a waiver for this location since we plan to make the E/2 of Section 6 the drilling and production unit for this re-entry and the W/2 another drilling and production unit. We understand that the New Mexico Oil Conservation Commission will approve this location if we secure waivers from all the necessary parties; consequently, we are requesting waivers from Gulf, Superior, Atlantic Richfield (Sinclair), Pennzoil and Mobil.

Operations on the re-entry will be commenced within 30 days after approval of the re-entry by the New Mexico Commission.

Yours very truly,

CAL-MON OIL COMPANY

Robert L. Monaghan

RLM/sys

cc: Mabee Royalties, Inc.
Pennzoil United, Inc. ✓