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O. C. C.
MEXICO, OFFICE

July 24, 1974

W. A. Gressett
Oil Conservation Commission
State of New Mexico

Re: State #1
SW/4 SW/4 Sec. 28-2S-26E
De Baca County, N. M.

Dear Mr. Gressett:

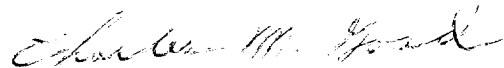
First let me apologize for having taken so long since my last correspondence to you. I haven't forgotten about the hole I have. I have been working weekly on trying to get some way to have the group complete the hole.

I have been successful in putting a 10,000 plus acreage block together for a deep hole to the basement. This acreage surrounds the existing hole. I retained 320 acres at the existing hole site. The purchasers geologist or engineers are now in the process of picking the site for the basement hole, it appears that it will probably be on the acreage immediately adjoining the existing hole site. Therefore I am trying to work out a deal whereby they will take over the existing hole and 320 acres by either completing the hole for us, plugging it or using it for their basement hole. I am awaiting their decision.

I am enclosing a copy of my agreement with the purchasers for your file.

As you see by the agreement most of the acreage is state land. So if you can bear with me a little longer everyone can benefit including the State of New Mexico.

Sincerely yours,



Charles M. Goad