CHARLES B. READ OIL PROPERTIES P. O. BOX 2126 ROSWELL, NEW MEXICO 88201

April 2, 1968

RECEIVED

APR 3 1968

Mr. W. A. Gressett Oil Conservation Commission Drawer DD Artesia, New Mexico

O. C. C. ARTERIA. DEFICE

Re: Charles B. Read #1 Harris-State 1650 South and East, Section 16-15S-27E, Chaves County, New Mexico

Dear Mr. Gressett:

Reference is made to our telephone conversation of April 2, 1968 in regard to the above captioned test and our reasoning for staking the location 1650 out of the South and East rather than the standard location. We control most of the acreage between our #2 Buffalo Valley located in Section 2 and the proposed #1 Harris-State. According to our information the acreage between the Harris-State and the #2 Buffalo Valley should be productive in the Atoka-Morrow zone. Our reasoning for drilling down in Section 16 is due to the expiring lease and the fact that we were able to obtain substantial acreage contributions from the other operators in the area. It is our opinion that it is only a question of time before development will prove that these areas will connect. In view of this we wanted to maintain a standard drainage program in the area and this is why we filed for a 1650 location.

We trust that you will see fit to approve this location as submitted.

Very truly yours,

CHARLES B. READ

Norman L. Stevens, Jr.