

COASTAL STATES GAS PRODUCING COMPANY
NORTH TEXAS DIVISION
WILCO BUILDING
MIDLAND, TEXAS
79701

October 22, 1969

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

Attention Joe Ramey

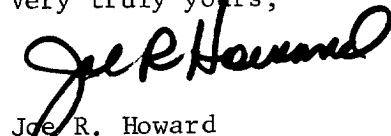
Re: Santa Fe Well No. 1
West Sawyer (San Andres) Field
Lea County, New Mexico

Gentlemen:

In accordance with subparagraph 2 of the West Sawyer (San Andres) Field rules, this is to notify you of the unorthodox location of the subject well. This was the discovery well in this pool and was drilled at a location that does not comply with the special field rules that were established for this field on October 14, 1969. These rules specify that the first well drilled on any quarter section must be drilled in the NW/4 or the SE/4 of the governmental quarter quarter section. As shown by the attached plat, this well was drilled in the SW/4 of the quarter section. Eighty acres were dedicated to the well originally and therefore, no change is necessary in this respect.

If additional information is needed, please advise.

Very truly yours,



Joe R. Howard
Division Production Manager

JRH:JRM:bm

Attachment