## GAS PRODUCING ENTERPRISES, INC.

COASTAL STATES GAS PRODUCING CO.

CIG EXPLORATION, INC.

(Units of Coastal States Gas Corporation)

400 PERMIAN BLDG. . P. O. BOX 235 . MIDLAND, TEXAS 79702 . (915) 682-7925



April 18, 1978

United States Department of the Interior Geological Survey P. O. Box 1157 Hobbs, New Mexico 88240

Gentlemen:

Under separate cover, Gas Producing Enterprises, Inc. is submitting an Application for Permit to Drill the Federal "4" Well No. 2, located 660' FNL & 1980' FWL, Section 4, T-10-S, R-37-E, Lea County, New Mexico. This proposed well is located on land having Federal mineral rights but whose surface has been sold to a Mr. Michael Harton of Tatum, New Mexico.

Gas Producing Enterprises has made a surface owners agreement with Mr. Harton concerning the well pad, access road, and surface flow line to be installed for the proposed well. This agreement covers the surface restoration to be performed after the well is completed, including the filling of drilling mud pits and cleaning the location. Also, this agreement covers the surface restoration after abandonment of the well, to include cleaning the location and ripping the pit area, well pad, and unneeded access road as determined by the land owner.

Sincerely,

H. E. Clarke DGC

District Production Superintendent

DGC