WHALEY COMPANY, INCORPORATED

FORT WORTH NATIONAL BANK BUILDING FORT WORTH 2, TEXAS

March 30, 1953

New Mexico Conservation Commission Hobbs Office P. O. Box 2045 Hobbs, New Mexico

Re: Whaley Company, Inc., #1 State

Section 36, Township 12-S, Range 31-E,

N.M.P.M. Chaves County, New Mexico

Dear Mrs. Smith:

Receipt is acknowledged of your letter of March 25, 1953. Our well has been shut down for some little bit while we are making a strenuous effort to locate a string of 5" extreme lined casing. As soon as this casing is located it is our intention to apply to your office for a permit to deepen this well with cable tools so as to test the Grayburg Zones and San Andres Zones which we estimate will be somewhere above 4,500' in depth.

In the meantime the well is shut down with control head on the 7" casing. The well is presently showing only a very small amount of gas and oil with no water of any kind. We have a complete log and all data in our files, but had delayed filing it thinking each week that we could be able to resume drilling operations and would file all of the necessary papers to your office at one time.

If this is not satisfactory, please let us know and we will file any and all of our records that you wish in the matter, promptly.

Yours respectfully,

Men

WDM/lwf

William D. Morris,

President.

P. S. WE CALL THIS

No.1-STATE.

PEC COPY ATTACHED