ANSON COMPANY

An Oklahoma General Partnership

VIA FEDERAL EXPRESS

July 7, 1994

Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87504

Attn: Mr. Michael E. Stogner

Re:

Rule 111 Request For Directional Drilling Section 33-16S-38E Lea County, New Mexico Wood Prospect

Dear Mr. Stogner:

AnSon Gas Corporation respectfully requests that it be granted administrative approval to drill a directional well in the captioned unit. Enclosed please find copy of AnSon's Form C-102 reflecting the proposed surface location and bottom hole location for the drilling of our Anderson 33 #1 well. The proposed drillsite unit consists of the SW/4 NE/4 of Section 33-16S-38E, Lea County, New Mexico. The surface area of this drillsite unit is situated on the pivot point of a circular irrigation system which creates an obstruction. This obstruction can only be avoided by the drilling of a directional well. AnSon has settled surface damages with the surface owner in the NW/4 SE/4 of Section 33 and is prepared to build location and spud a Strawn Lime test on or before July 12, 1994. AnSon owns 100% of the leasehold ownership underlying the NE/4 and approximately 93% of the leasehold ownership underlying the SE/4 of Section 33. There is no production offsetting the proposed drillsite unit and therefore no notification is required for any operators of units offsetting this unit.

AnSon has a rig available to move onto this location within the next few days and would appreciate your earliest review of our request. If you have any questions or need additional information, please give me a call.

Sincerely,

AnSon Gas Corporation

Charles E. Lundeen Land Manager

CEL/kjh

cc: Mr. William F. Carr Campbell, Carr, Berge & Sheridan P.O. Box 2208 Santa Fe, New Mexico 87504-2208

3814 NORTH SANTA FE, OKLAHOMA CITY, OKLAHOMA 73118 + TELEPHONE (405) 528-0525

ANSON GAS CORPORATION MANAGING GENERAL PARTNER

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