SOUTHERN PETROLEUM EXPLORATION, INC.

Box 1017 ROSWELL, NEW MEXICO

June 7, 1955

GEOLOGICAL AND LAND DEPARTMENT

AIR MAIL

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

> Re: Southern Petroleum Exploration, Inc. TSO State No. 1 Section 29-20S-36E, Lea County, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

We enclose six copies of Form C-101, Notice of Intention to Drill our before described location on Unit B, Section 29, Township 20 South, Range 36 East, Lea County, New Mexico.

There is also enclosed an executed Designation of Operator with a photo copy of the same for one of your offices.

The well to be drilled is a joint venture with Two States Oil Company who has title to the lease on the land on which the location is made. The Two States Oil Company owns the W/2 NE/4 of Section 29 and Southern Petroleum Exploration, Inc. the E/2 NE/4 of Section 29, both assignments from the same basic lease State E-443. A Pooling Agreement has been made which will be furnished you if it should become necessary.

In this instance, Southern Petroleum Exploration, Inc. is to be the operator. Please notify us of approval of the location by returning to us one approved copy of C-101. Thanking you.

Yours very truly,

SOUTHERN PETROLEUM EXPLORATION, INC.

Holtzadley Boedley Dist Mgr.

JBH: cw

2 Encls.: Encl. #1 - Form C-101 (6 cy.) Encl. #2 - Designation & photo cy.

Air Mail CC: Two States Oil Company, 528 Wilson Building, Dallas 1, Texas Mr. R. S. Gaston, Box 176, Eunice, New Mexico Southern Petroleum Exploration, Inc., Sistersville, West Virginia