

VIA INTERNATIONAL FEDERAL EXPRESS

June 9, 1993

Frank Condon
Noranda Exploration, Inc.
4 King Street West, Suite 800
Toronto, Canada M5H3X2

RE: Schaubauer "4" Well No. 3
Lea County, New Mexico



Dear Mr. Condon:

By this letter, Mitchell Energy Corporation notifies you that it intends to file an Application for Permit to Drill (APD) with the State of New Mexico Oil Conservation Division for the above referenced well. The proposed location is 660 feet from the south line and 660 feet from the east line of Section 4, Township 20 South, Range 33 East (copy of APD and plat enclosed). According to our record check, this location is within a mile of your potash lease.

Please indicate below whether or not you have any objections to drilling the subject well at the proposed location, and return two copies of this letter to the undersigned. The third copy is for your files.

If you need further information, please contact me at (713) 377-5855.

Very truly yours,

MITCHELL ENERGY CORPORATION

A handwritten signature in cursive script that reads "George Mullen".

George Mullen
Regulatory Affairs Specialist

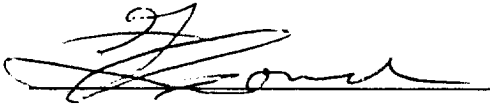
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Scharbauer "4" Well No. 3
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✓ "Noranda Exploration, Inc." has **NO OBJECTION** to this Application.

 "Noranda Exploration, Inc." **INTENDS TO PROTEST** this Application.

BY:



TITLE: _____

DATE:

July 9/93

GM:mw
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Enclosures

cc: Ms. Evelyn Downs - OCD - Hobbs
Mr. Michael Stogner - OCD - Santa Fe