

VIA CERTIFIED MAIL
Receipt No. P 144 900 280

June 8, 1993

Scharbauer Cattle Company
P.O. Box 1471
Midland, Texas 79701-1471

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



Dear Sirs:

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

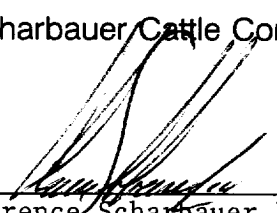
George Mullen
Regulatory Affairs Specialist

GM:mw
APDNOLTR.GM

Scharbauer "4" Well No. 3
Lea County, New Mexico
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 X "Scharbauer Cattle Company" has **NO OBJECTION** to this Application.

 "Scharbauer Cattle Company" **INTENDS TO PROTEST** this Application.

BY: 
Clarence Scharbauer III

TITLE: Vice President

DATE: June 16, 1993

GM:mw
APDNOLTR.GM

Enclosures

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