

State of New Mexico
June 12, 1995 - Page 2

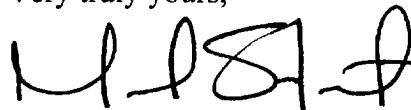
(GRBG/SA) Unit which prevent the N. B. Bordages Gas Com. No. 2 infill well from being located at a standard location. In conjunction with the above, the surface rights of Block 46 lots 1 - 20 of the Payton Addition (1.51 acres) have been identified to be owned by Texaco Production and Exploration Inc. working interest owners in the N. B. Bordages Gas Com., who are agreeable to allowing a well to be drilled thereon.

Enclosed please find the following information pertaining to our administrative request:

- 1) Land ownership/well location maps identifying the 200 acre N. B. Bordages Gas Com Unit, the proposed location of the N. B. Bordages Gas Com No. 2 well, the existing location of the N. B. Bordages Gas Com. No. 1 well and the offsetting Eumont (gas) completions and proration units.
- 2) Tables describing the offsetting Eumont (gas) proration units and wells.
- 3) Copies of NMOCD Forms C-101 permit to drill, C-102 illustrating the N. B. Bordages Gas Com. proration unit and well locations and C-103 sundry notice requesting unorthodox location and simultaneous dedication.
- 4) Surface ownership maps of the NE/4 NE/4 Section 32, being subdivided as the Payton Addition-Monument Townsite.
- 5) Copy of the letter sent by certified mail to all offsetting parties owning Eumont gas rights.
- 6) Name and address listing of all offsetting owners.
- 7) Copy of Waiver sent to all offsetting parties owning Eumont gas rights.

Should you have any questions or require further information, please contact me. Your consideration in this matter is appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael Stewart", with a stylized flourish at the end.

Michael Stewart

MS/nr

cc: NMOCD District I - Hobbs, New Mexico