PEERLESS OIL AND GAS COMPANY Alamo National Building San Antonio, Texas March 28, 1936

Mr. F. J. Veaely P. O. Box 522 Carlsbad, New Mexico

In He: Our File 8500

Dear Mr. Vesely:

In glancing over the various Forms you forwarded to me I note Forms Nos. C-102 and C-103. As you probably know the pumping equipment on our No. 1 State well was damaged by fire, but we did not file either of the two above mentioned Forms because I interpreted them to mean that they were only to be submitted in the event repairs were contemplated or made to the well itself. Strictly speaking we did not make any repairs to the well and all such repairs were restricted to the above ground equipment.

If this was incorrect, please advise.

Yours very truly, PERRIESS OPL & GAS COMPANY By: Alfred A. Eyssell

ARE-pc