Conservation Division P. O. Box 26124 Albuquerque, New Mexico 87125

May 11, 1977

Cleary Petroleum Corporation P. O. Drawer 2358 Midland, Texas 79702

Gentlemen:

Your Application for Permit to Drill well No. 1 New Mexico Federal "E" in Lot 16, section 5, T. 21 S., R. 32 E., Lea County, New Mexico, lease NM 14791, to a depth of 14,000 feet to test the Morrow formation in the Oil Potash area, is hereby approved, as amended by stipulations attached to the application.

One copy of the application is returned herewith. Please notify the District Engineer, Geological Survey, Hobbs, New Mexico, in sufficient time for a representative to witness all cementing operations.

Sincerely yours,

(ORIG. SGD.) JAMES W. SUTHERLAND

JAMES W. SUTHERLAND Area Oil and Gas Supervisor

Enclosure

cc: Conservation Manager, Denver Area Mining Supervisor, Albuquerque (2) <u>NMOCC, Hobbs</u>(2) (w/ 2 copies Notice) District Engineer, Hobbs