June 21, 1957

Re: US-375 Danglade #2 SE SE 13-225-37E Les County, New Mexico

New Mexico Oil Conservation Commission Attention of Mr. A. L. Porter, Jr. Santa Fa, New Mexico

Gentlemen:

We have recently consummated agreements with The Ohio Oil Company to unitize our 80 acre Danglade lease in the S/2 SE/4 of Section 13-225-37E with their 80 acre Butler lease in the N/2 SE/4 of this same section to form a standard 160-acre gas proration unit for production of gas in both the Blinebry and Tubb gas pools. The unit well for Blinebry gas production to be the R. Olsen Oil Company's Banglade #2, located in the SE/4 SE/4 of Section 13-225-37E, while the unit well for Tubb gas production will be the Ohio Oil Company's Edith Butler #1, located in the NE/4 SE/4 of this same section. Both wells are now completed in the respective formations from which they are to produce under the unitization agreement.

With this letter we are enclosing Form C-128 indicating that 160 acres is now dedicated to R. Olsen Oil Company's Danglade #2. Since subject well has been producing from the Blinebry gas pool on an 80 acre unit, we understand that the filling of Form C-128 is all that will be required in order to secure the increased allowable. If this is not the case, it would be appreciated if the writer were notified by telephone. We will be glad to pay for the charges on the call.

It is our understanding that The Ohio Oil Company will, if they have not already done so, file all of the necessary forms in connection with the Tubb unit.

Yours truly.

R. OLSEN OIL COMPANY

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cc: Oil Conser. Comm. Hobbs, New Mexico By

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