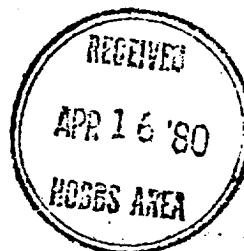


# Gulf Oil Exploration and Production Company

R. C. Anderson  
PRODUCTION MANAGER, HOBBS AREA

April 7, 1980



P. O. Box 670  
Hobbs, NM 88240

Goins Ranch Corporation  
P. O. Box 683  
Eunice, NM 88231

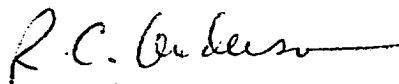
Re: Installation of Disposal Line on C. E. LaMunyon Lease

Gentlemen:

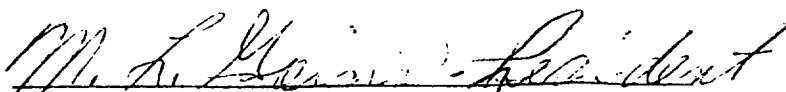
Gulf Oil Corporation is proposing to convert C. E. LaMunyon WSW No. 1 to a salt water disposal well for disposal of the produced water from the C. E. LaMunyon lease. Upon approval from the New Mexico Oil Conservation Division and the U. S. Geological Survey, the well will be converted to disposal; and we propose to lay a two (2") inch, 3500 ft long (212 rods) water disposal line directly from the injection station, located 660' FNL & 660' FWL, Section 27-T23S-R37E, Lea County, N. M., to the subject well, located 660' FSL & 2180' FEL, Section 22-T23S-R37E, Lea County, N. M. This line would be buried two (2') foot below the surface and located entirely on your property.

We hereby request your approval to install this water disposal line on Goins Ranch Corporation's property for \$3/rod surface damages. Payment will be made prior to installation, subject, of course, to approval of this proposal from the aforementioned regulatory bodies. If you approve, please sign in the space provided below.

Yours very truly,

  
R. C. ANDERSON  
Area Production Manager

RHB/jr

  
GOINS RANCH CORPORATION



DIVISION OF GULF OIL CORPORATION

Exhibit C