

January 23, 1971

Mr. John A. Anderson
Regional Oil and Gas Supervisor
United States Geological Survey
P. O. Box 6721
Roswell, New Mexico

Lease No. LC 032326 A,
SW/4 Section 20 and SW/4
SW/4 Section 21, T-24S,
R-37E, Lea County, New
Mexico

Dear Sir:

The Jack A-21 No. 1 Gas Pool well located in the SW/4 SW/4 of Section 21, T-24S, R-37E, Lea County, New Mexico, recently commenced producing distillate along with the gas production. In order to provide storage for this distillate without incurring the expense of installing a tank battery, it is proposed to produce the distillate into the tank battery on Jack A-20 Lease (SW/4 Section 20, T-24S, R-37E) which is not being used. There are no producing oil wells on the Jack A-20 Lease at the present time.

The Jack A-20 Lease (SW/4 Section 20, T-24S, R-37E) and Jack A-21 Lease (SW/4 SW/4 Section 21, T-24S, R-37E) are a part of the same basic lease No. LC 032326 A. The New Mexico Oil Conservation Commission has advised that they will approve a Form C-110, Certificate of Compliance and Authority to Transport

Oil and Natural Gas, provided we furnish them a copy of a letter from your office stating that you have no objection to this production crossing the Section line before measurement. Therefore, we respectfully request your approval to produce the distillate from the Jack A-21 No. 1 into the unused tank battery on the Jack A-20 Lease.

Yours very truly,

SIGNED: WM. A. MEAD

WAM-MFK