

I. W. Lovelady
President

B. R. Greathouse
Board Chairman

GREATHOUSE & LOVELADY OIL & GAS, INC.

406 N. Marienfeld
MIDLAND, TEXAS 79701
AC 915 - 682-5275

June 11, 1973

Mr. A. R. Brown
USGS District Office
Box 1157
Hobbs, New Mexico 88240

Re: Greathouse & Lovelady Oil & Gas, Inc.
U. S. Crosby #1, SW/4 Sec. 28,
T-25-S, R-27-E, Lea County, N. M.
Crosby Devonian Field

Dear Sir:

Regarding the above captioned proposed 8300' well, we plan to operate and oversee this operation and abide by environmental guidelines as follows:

1. Exhibit B shows existing highways and roads. No new roads will be required.
2. The size of the drilling pad and its relation to the access roads are shown on Exhibit A.
3. The proposed U. S. Crosby #1 well is approximately 550' north of the nearest tank battery which is owned by Union Texas Petroleum Company and serves their #2 Crosby Fusselman well.
4. Water for drilling will be hauled to the location by truck.
5. All trash on location will be placed in the reserve pit and covered with dirt.
6. If well is plugged and abandoned, earthen pits will be filled with dirt and the location will be restored to the original contours.
7. If the well is completed as a producer, earthen pits will be filled with dirt and the location restored. Since we expect the well to produce gas only, no tank battery is anticipated. If any liquids are

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produced, a tank will be set approximately 75' due south of the well location. Any additional equipment required to handle the gas will also be located in this approximate position.

8. No additional development is anticipated since all of the acreage that we own is dedicated to the subject well.
9. The terrain is level and sandy with minimal vegetation.

Very truly yours,

Greathouse & Lovelady Oil & Gas, Inc.



I. W. Lovelady
President

IWL/nf
Enclosures

EXHIBIT "A"
DRILLING PAD & ACCESS
ROAD

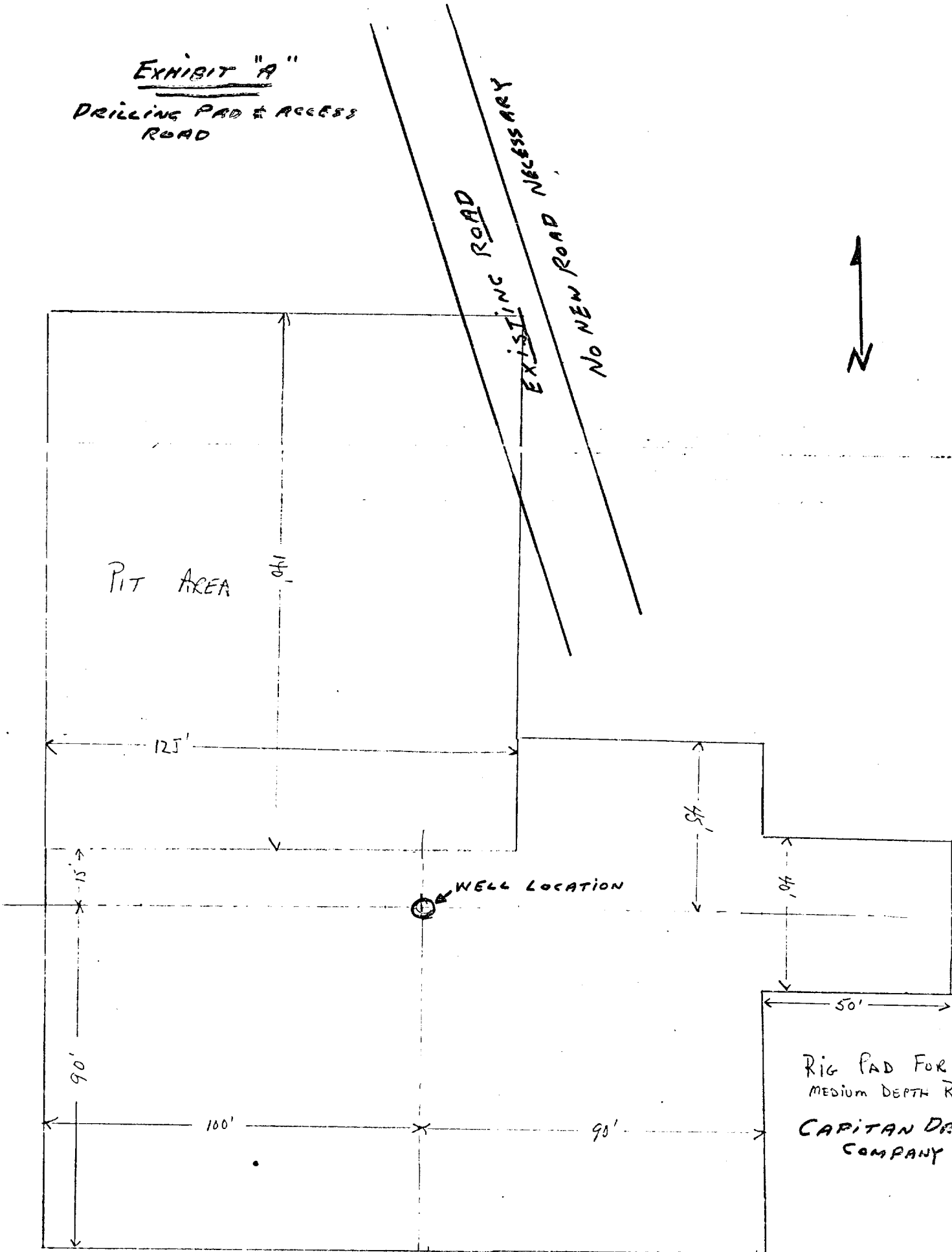
EXISTING ROAD
NO NEW ROAD NECESSARY



PIT AREA

WELL LOCATION

RIG PAD FOR
MEDIUM DEPTH RIG #12
CAPITAN DRILLING
COMPANY



EXISTING HIGHWAYS & ROADS

