10000 Old Katy Road Suite 100 Houston Texas 77055 Telephone (713) 932-4700 Cable: BELPETEX

Belco Petroleum Corporation

Belco

December 13, 1976

New Mexico Oil Conservation Commission Box 2088 Santa Fe, New Mexico 87501

> RE: Proposed Belco's Bass State-1 Section 31, T2OS - R33E Lea County, New Mexico

Gentlemen:

Please find attached Belco Application to Drill our proposed Bass State-1 which is within the S. Salt Lake Morrow Pool and also located within the Potash-Oil Area, defined by New Mexico Oil Conservation Commission Order R-111-A as amended. In keeping with the provisions of said Order, we also attach copies of Registered Receipt of notification by Belco to the potash lease owners within one mile of the drillsite.

Yours very truly,

BELCO PETROLEUM-GORPORATION

Lee G. Nering Administrative Geologist

LGN/b

Attachments