

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE February 8, 1979

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88240 (505) 393-6161

JERRY APODACA GOVERNOR NICK FRANKLIN SECRETARY

> John H. Hendrix Corporation 525 Midland Tower Midland, Texas 79701

Gentlemen:

On January 29, 1979, this office approved Forms C-101 and C-102, Notice of Intent to Drill and Surveyor's Plat, for your proposed Cal-Mon State Well No. 1 to be located in Unit I of Section 8, T-14-S, R-36-E, with the east half of Section 8 shown to be dedicated to the well. Since that time Forms C-101 and C-102 have been submitted by Harvey E. Yates Company for a proposed well to be located in Unit N of Section 8, with the south half of the section shown to be dedicated.

Therefore, approval for the drilling of the Cal-Mon State No. 1 is being held in abeyance until an agreement is reached regarding the dedicated acreage, or until the Oil Conservation Division has issued an order regarding the matter after notice and hearing.

Yours very truly,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District 1

mc cc-Harvey E. Yates Co. P. O. Box 1933 Roswell, New Mexico 88201