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State of New Mexico  
**Oil Conservation Commission**

D-17-157-9W



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AZTEC

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

April 5, 1967

Largo Management Corporation  
236 Petroleum Plaza Building  
Farmington, New Mexico 87401

Attention: Mr. Harrell Budd

Dear Harrell:

I am sorry that I failed to make it over to see you while the legislature was in session. I was down there twice for hearings but went down and returned the same day. Anyway I am following your activities in the newspapers and on television and would judge you have been having an interesting time of it.

We have received form C-103 showing the plug back on your #1 Pena well. In addition we need two copies of the enclosed affidavit properly executed in order to release you from bond.

It has been our policy in the south end of the basin to require that water wells be cased if more than one water productive zone is open to the well bore. However, I note that your well is plugged back through the Dakota and I presume that the Gallup, which you show at 495 feet is the water productive zone, although you have not indicated whether or not this is true. I would appreciate a letter informing us which zone is water productive if you have this information, so that our files will reflect this information.

Yours very truly,

*Emery C. Arnold*  
Emery C. Arnold  
Supervisor, District #3

ECA:mc

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