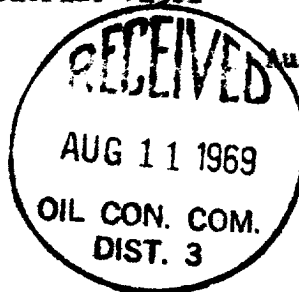


P. O. Box 1809
Durango, Colorado 81301

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Morris B. Jones
Mr. L. Levinson
823 Bank of New Mexico Building
Albuquerque, New Mexico 87101



August 6, 1969

Gentlemen:

Mr. John F. Mitchell of Walter Duncan Oil Properties has informed us that you, under farmout agreement with them, drilled the No. 1 Lionel well located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 34, T. 17 N., R. 6 W., McKinley County, New Mexico on Federal oil and gas lease New Mexico 0263785.

On a recent inspection of this well site, the well was found to be uncased and unplugged. Pits at the location had not been filled and leveled, and junk was found at the site.

It is our understanding that Walter Duncan Oil Properties has requested you to fulfill your farmout agreement with them by promptly plugging the well as directed by the U. S. Geological Survey. Please notify the Durango District Engineer, U. S. Geological Survey, P. O. Box 1809, Durango, Colorado 81301, when you intend to plug the well and clean up the location so that a representative from the U. S. Geological Survey may be present.

You will be required to enter the unplugged hole and show evidence that plugs have been set as directed in the "Notice of Intention to Abandon" which was approved on December 6, 1966.

Your full cooperation in complying with the above request will be appreciated.

Sincerely yours,

(Orig. Sgd.) J. W. LONG

Jerry W. Long
District Engineer

cc:
Walter Duncan Oil Prop., Denver
NMOCC, Aztec
Roswell
File

EASchmidt:mbh



sub A 1007
Hewson
6113

don: mhr 2/11