



P E D C O

ENGINEERING OPERATIONS
XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX
TELEPHONE: (505) 293-4044
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ENGINEERING OPERATIONS
9720-B CANDELARIA, NE
ALBUQUERQUE, NM 87112
TELEPHONE: (505) 293-4044

REPLY TO: ALBUQUERQUE

October 6, 1976

OIL CONSERVATION COMMISSION
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

RE: Case # 5781 - Petroleum Development Corporation -
San Luis Federal #1, J-21-18N-3W, Sandoval County,
New Mexico.

In an agreement dated June 1, 1974, copy of which is
attached, Mr. Noel Reynolds agreed to take full responsi-
bility for the captioned well and to either run casing
and use the hole for a water supply well or to plug and
abandon.

Since that date, Petroleum Development Corporation has had
no interest in the well, nor do we retain any interest
in the lease. We understand that Mr. Reynolds still plans
to use the hole for a water supply well. Also attached
is a copy of a letter to Mr. Reynolds from the U. S. G. S.
on the same subject.

Sincerely,
PETROLEUM DEVELOPMENT CORPORATION

Charles W. Sanders
Charles W. Sanders, Vice President

CWS:Cmp

encls.

cc: Mr. Noel Reynolds
Box 356
Flora Vista, NM 87415

