

NANGO, INC.
611 PHILTOWER BUILDING
TULSA, OKLAHOMA 74103

January 16, 1978

Mr. Virginio Sandoval, Mayor
City of Cuba
Cuba, New Mexico 87013

Dear Mayor Sandoval:

Please find enclosed a summary analysis covering the drilling, logging and plugging of our Pictured Cliffs test well situated in Section 31 of Township 21 North, Range 1 West, Sandoval County, New Mexico.

I visited with the Rio Puerco Water Resources Department, Albuquerque, New Mexico, on December 12, 1977, and reviewed the status of our December 11 meeting in Cuba. Mr. Labay and his staff concluded that their department has no use for the water and would consider assigning the rights to Cuba, subject to the City's written request. Since this request did not appear to warrant current consideration, we plugged the well on January 3, 1978, in accordance with United States Geological Survey request and requirements.

The well was plugged, leaving the Ojo Alamo water zone free for future re-entry. I am sure the Bureau of Land Management will consider assigning the water rights to Cuba should the need arise for the water.

Very truly yours,

E. Alex Phillips

E. Alex Phillips

EAP:jm

Enc.

cc: U.S.G.S., Durango, Colorado
Rio Puerco Water Resources (BLM),
Albuquerque, New Mexico

