

AM	BLM - FPM
ADMIN.	AAM
NAV AFF	PAO/VOL
P & GC	RANGER
SP AGT	TEST SITE
BRANCH L& RR	HZ. MAT
BRANCH MINERALS	
SUPV	ALL EMPL.
FILES	

BANNON ENERGY INCORPORATED

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Houston, Texas 77068
(713) 537-9000

RECEIVED
SLM MAIL ROOM

November 14, 1988 NOV 17 AM 10:12

FARMINGTON RESOURCE AREA
FARMINGTON, NEW MEXICO

United States Department of the Interior
Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

Attn: Ron Fellows
Area Manager

RE: SF-078924 (WC)
3162.3 (019)

RECEIVED
DEC 6 1988
OIL CON. DIV.
DIST. 3

MINERALS BRANCH	
BRANCH CHIEF	_____
SOLIDS	_____
FLUIDS REP	1
FLUIDS ISS	_____
FSM	_____
IS CC	_____
IS SAV	_____
ALL SUPV	_____
FILES	_____

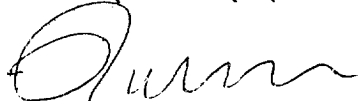
Dear Mr. Fellows:

In response to your letter dated November 2, 1988 regarding the well No. 1 Connie 29, located SW/4 SE/4 Section 29, T24N, R7W, Rio Arriba County, New Mexico, lease SF-078924, we assumed ownership effective July 1, 1988. We appreciate your consideration of that fact, because as you know, it takes time to understand and digest new situations.

At present, we are repairing and reworking several other wells that are serviced by the compressor that services the subject well. This rework program has enabled us to load the compressor on a sustained basis. With such, we can systematically evaluate and repair other wells; and return them to production. We have as yet to evaluate the subject well.

We request a six month time frame to approximately June 1, 1989 to effect our evaluation. In such we will either initiate plans to perform remedial work or to plug and abandon.

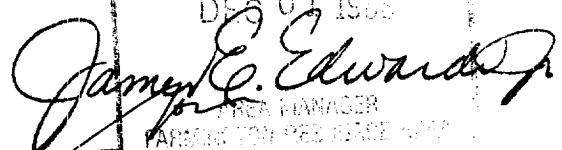
Very truly yours,



Robert D. Johnson
President

RDJ/mkp
350

THIS APPROVAL EXPIRES JUN 01 1989

APPROVED
DEC 01 1988

AREA MANAGER
FARMINGTON RESOURCE AREA