KING-LOC PETROLEUM COMPANY

AN ARIZONA CORPORATION

Producers of Petroleum Products

716 FIRST NATIONAL BANK BUILDING - 411 NORTH CENTRAL AVENUE

PHOENIX, ARIZONA

June 4, 1957

New Mexico Office AZTEC, NEW MEXICO

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Mr. A. R. Kendrick Engineer, District #3 New Mexico Oil Conservation Commission 120 East Chaco Aztec. New Mexico

My dear Mr. Kendrick:

Answering your letter of May 29, concerning King-Loc #4-17 MKL well, I see no reason why this well should not be removed from the proration schedule.

Delay in working over the well has been occasioned by a number of factors, the main one being that it is not desired to spend any money on this well until the technique of working over low deliverability Mesa Verde wells has been perfected. In our opinion, this point has not yet arrived, particularly with reference to perforating the well and attempting to produce gas from the Lewis Shale.

May I suggest that you proceed with removing the well from the proration schedult and simply leave it "hanging in the air" until such time as we can make up our mind about the proper procedure to be followed.

Trusting the foregoing will meet with your approval,

I am

Very truly yours,

KING-LOC PETROLEUM COMPANY

GEORGE D. LOCKE, Secretary-Treasurer

GDL: dhe