

San Juan Energy Resources, Inc

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September 23, 1999

Mr. Denny Foust, Environmental Geologist
NM Oil Conservation Division
100 Rio Brazos Road
Aztec, New Mexico 87410

RECEIVED
SEP 27 1999

OIL CON. DIV.
RML 2

Re: W. B. Hamilton Estate
State 16 # 1 L-16-25N-08W
Certified Letter #P 471-215-241

Dear Mr. Foust:

During the months of June through August there was excessive rainfall in the area of the well location and the road conditions were extremely bad. Because of the excessive rainfall, the well was shut in late June and remained shut in until September 17. It was the intent of W. B. Hamilton Estate to clean up the oil contaminated soil around the well head at the same time that the road was repaired, to minimize expenses, therefore no work was performed.

Repairs to the road began on September 24. Work on the location will continue when the road repairs are finished. The oil-contaminated soil around the well head will be removed and contained on the well pad. The soil will be thin spread on the well pad and treated with chemicals.

W. B. Hamilton Estate requests that the OCD grant an extension until March 2000 for the cleanup of the earthen pit. The pit will have to be drained and allowed to dry before cleanup can commence, which will require that the well be shut in. If the OCD will permit an extension of time, W. B. Hamilton Estate plans on removing the oil from the pit, allowing the pit to dry. The contaminated soil will be removed and treated on the well pad. A fiberglass pit liner will then be installed in the earthen pit.

If you have any further questions please call.

Respectfully,



Dave Simmons

Agent

W. B. Hamilton Estate

XC: W. B. Hamilton Estate