



Southern Union Exploration Company
First International Building
Dallas, Texas 75270
(214) 748-8511

James G. Ellis
Vice President/Chief Engineer

May 16, 1979

State of New Mexico
Energy & Minerals Dept.
Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

ATTN: Mr. A. R. Kendrick, District Supervisor

RE: Southern Union Exploration Co.
Lansdale Federal #1
P-7 - 26N - 12W

Southern Union Exploration Co.
Tenneco Federal #1
M-8 - 26N - 12W

Dear Mr. Kendrick:

Per your telephone inquiry of Monday, May 14 to our office regarding the status of the captioned wells, Sundry notices were filed February 15, 1979, indicating temporary abandonment for both. This status remains the same for both. A transportation agreement involving El Paso is awaiting approval from the FERC. This agreement will allow transportation of SX gas to Southern Union markets as designated by Southern Union. At the time of drilling both wells, it was decided to delay completion until the transportation agreement was approved, in order to prevent reservoir damage due to a prolonged shutin period. Our completion program is ready for execution at such time as management directs.

If you require further explanation, please advise.

Very truly yours,

James G. Ellis

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JGE:jp

