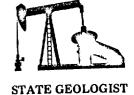


OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

1000 RIO BRAZOS RD. - AZTEC

87410 LAND COMMISSIONER PHIL R. LUCERO



EMERY C. ARNOLD

DIRECTOR
JOE D. RAMEY

July 23, 1976

Mr. L. O. Van Ryan Aztec Oil & Gas Co. P. O. Drawer 570 Farmington, New Mexico

Re: Aztec Oil & Gas Co. Holder #1 F-29-30N-12W

Dear Mr. Van Ryan:

During a recent field inspection of the location of the subject well an odor of gas was detected. The odor is concentrated in the soil around the well bore.

Therefore, we believe the well casing to have failed.

Rule 108 requires the operator of a well with defective casing to proceed with diligence to repair or to plug and abandon the well.

File form 9-331 setting out your plan of action prior to any field activity for this remedial work.

If there are questions, please contact us.

Yours very truly,

A. R. Kendrick

Supervisor, District #3

ARK:mc

xc: Oil Conservation Commission Santa Fe, New Mexico

United States Geological Survey Farmington, New Mexico