

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

TONEY ANAYA

1000 RIO BRAZOS ROAD AZTEC, NEW MEXICO 87410 (505) 334-6178

July 3, 1984

Arco Oil & Gas Co. P.O. Box 2197 Farmington, NM 87401

Re: Horseshoe Gallup Unit #22 J-29-31N-16W

San Juan County, NM

Gentlemen:

On June 28th, 1984, C. R. Thompson, of Arco Oil & Gas Company, and I inspected the above referenced well for tubing, packer and casing leaks. There is strong evidence to indicate lower zone communication on the outside of the casing, by the appearance of large quantities of oil and water through the bradenhead valve. We request that this well be repaired immediately.

If you have any questions, please contact this office.

Yours truly,

Ernie Busch

Deputy Oil & Gas Inspector

EB/dj

xc: E. Busch

D. Stamets

BLM Farmington

UIC File

Well File'

Operator File