J.K. EDWARDS ASSOCIATES, INC.

1

194 AU; AM 8 50

OIL & GAS PROPERTIES

1401 17th Street / Suite 1400 Denver, Colorado 80202

303/298-1400 FAX 303/298-0757

m.S. DK

VIA FACSIMILE AND MAIL

July 29, 1994

Mr. David Catanach State of New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87504

RE: Case #11043
Application for Salt Water Disposal Well
San Juan County, New Mexico

Dear Mr. Catanach:

This letter is to serve as formal notice that J.K. Edwards Associates, Inc. hearby withdraws its application for salt water disposal in the Bengal "A" No. 1 well in Section 1, T26N-R12W San Juan County, New Mexico per the above referenced case number. This withdrawl is made due to the potential for having to conduct remedial work on the P & A'd wells in the area.

We anticipate filing a new application for this well for injection to the Dakota formation which should eliminate the old well bore problem. Your cooperation and assistance has been greatly appreciated.

Very truly yours,

J.Keith Edwards

President

JKE: kbm

cc: Mr. T.E. Hemler