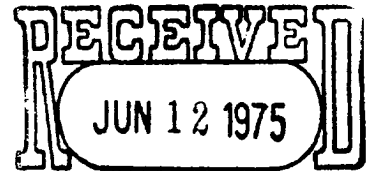




OIL CONSERVATION COMMISSION



OIL CONSERVATION COMM.

Santa Fe

June 11, 1975

Mr. Dick Burk
AETNA CASUALTY & SURETY COMPANY
Room 1418
First National Bank Building East
Albuquerque, New Mexico 87108

Dear Mr. Burk:

In accordance with our telephone conversation and my telephone conversation with Mr. Sandeger, we are enclosing herewith our estimated costs of plugging and abandoning five (5) wells on the W. S. Ranch in Colfax County, New Mexico. These wells were all drilled by American Fuels Corporation and are covered by your blanket bond with them.

At the request of the State of New Mexico Oil Conservation Commission, we are proceeding to plug and abandon these wells. Mr. Carl Ulvog with the State Oil Conservation Commission is supervising our operations.

Inasmuch as our estimated costs of plugging and abandoning these wells are well over the \$10,000.00 blanket bond, we hereby request that you pay to us the sum of \$10,000.00 for a portion of these plugging and abandoning costs. It is our understanding that you will contact American Fuels to obtain its permission to release this sum of money or that you will obtain a letter or order from the Oil Conservation Commission requesting you to pay this sum of money to our company which will be doing the work at the request of the Oil Conservation Commission.

Yours very truly,

Roland L. Hamblin, Attorney
Legal Department

RLH:eh

/cc: Mr. Carl Ulvog
NEW MEXICO OIL CONSERVATION COMMISSION
P. O. Box 2088
Santa Fe, New Mexico 87501

Mr. John J. Strojek, Odessa