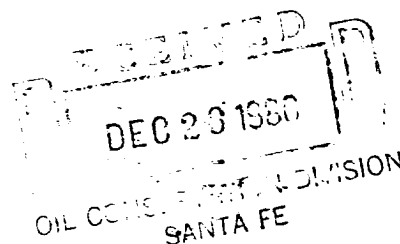


THE MARLIN OIL COMPANY
DENVER CLUB BUILDING
518 17TH STREET
DENVER, COLORADO 80202

December 23, 1980



Oil & Gas Conservation Division
Box 2088
Santa Fe, New Mexico 87501
Attention: Mr. Joe D. Ramey

RE: Phelps Dodge Property
Colfax County, New Mexico

Dear Mr. Ramey:

We are having a series of problems with our operation and Mr. Ulvog. The fact that two Bennett Petroleum wells were not plugged and cleaned up and that two wells we drilled have locations that need restoration are certainly real problems.

These things have been neglected by the remote locations in relation to our normal areas of activity. I've never had these problems here in Colorado and we're now getting the work done down there.

Now, however, we've been given a new problem by Mr. Ulvog who claims he was never notified or given plugging orders on our Phelps Dodge #2. My supervisor says the well was plugged as per Mr. Ulvog's instructions and the latter claims we never called him.

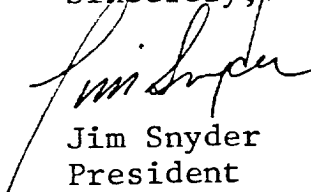
The well was plugged February 9, 1980 and I enclose a copy of our phone bill showing an 11-minute phone call on the 8th from our supervisor in Raton to what is Mr. Ulvog's phone number, which at least strongly supports our position.

Mr. Ulvog is now demanding we move a rig in, drill out plugs and wash the hole down and set a new series of plugs at depths where he has not required plugs be set on nearby holes. This is costly enough to get pretty serious.

Could you look into this matter and get us some relief?

Thank you.

Sincerely,



Jim Snyder
President

JS/mf

cc: Richard Bennett