



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

JERRY APODACA
GOVERNOR

NICK FRANKLIN
SECRETARY

January 24, 1979

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Ms. Sandy Ferrendelli
Bayly, Martin and Fay, Inc.
P. O. Box 8809
Denver, Colorado 80202

Re: One Well Bonds Nos. 708E580-1 and
708E581-E, Polaris Oil & Gas,
Inc., Principal, Travelers
Indemnity Company, Surety

Dear Ms. Ferrendelli:

As indicated by the December 4, 1978, letter written by Mr. Carl Ulvog, enclosed, the Polaris wells have not been satisfactorily plugged. Subsequent inspection has shown that conditions have remained the same. Until the final fieldwork and paperwork are completed, we will be unable to release the above-referenced bond.

Please notify us when the well sites are ready for final inspection so that we may again consider your request for cancellation.

Very truly yours,

(Ms.) LYNN TESCHENDORF
General Counsel

LT/dr

cc: Carl Ulvog