

'Phone EMerson 8-6525
Code 214

February 6, 1965

W. T. GRAHAM
7603 Bryn Mawr
Dallas, Texas 75225

New Mexico Oil Conservation Commission
Mr. J. E. Kapteina,
P. O. Box 871
Sante Fe, New Mexico

Dear Mr. Kapteina:

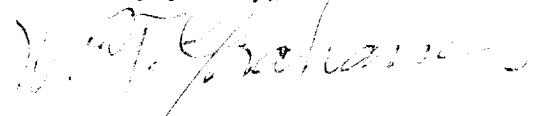
Since receiving your letter of January 15, 1965 I have written to Pete Knowles in an effort to clarify the situation and I am enclosing a copy of my letter along with Pete Knowles' letter in reply.

Referring to your letter in which you state that at the time our Notice of Intention to Drill was approved, it was specified that 150 feet of 8-inch surface casing was to be set and cement circulated behind the casing etc. That certainly was our intention when we started but soon as we got started drilling Mr. Bransford and I went to Socorro to study the records of other wells drilled in the area and we found we had made a very bad deal. Had we gone there in the first place we would never have drilled the well at all; but inasmuch as we had started we decided to take it to 300' to satisfy the landowner; and then to satisfy Knowles we went on to 550' which was all just a waste of time and money. At least we were quite happy that we found a nice water well for that rancher.

We certainly had no intention nor did we even consider we were disobeying any rules and regulations of the Commission for as you can see we knew as soon as we had started it would never be a successful venture as far as we were concerned; but the well was already started and we went on ahead as stated above.

I have corrected the "Affidavit of Responsibility, Conversion to Water Well" and hope they will now meet with your approval.

Very truly yours,



Telephone: EMerson 8-6235
Code 214

W. T. GRAHAM
7603 Bryn Mawr
Dallas, Texas 75225

Mr. Pete Knowles
Newkirk, N. Mexico

Dear Pete:

I appreciate your cooperation in getting the signature on the affidavit of responsibility conversion to water well. I returned them to the Commission but Mr. Kaptenia of the Commission has returned the papers to me and it seems he is not satisfied. He claims we should sign as "Operator" and not you. (We had presumed that after we had turned the well over to you that you would automatically become the operator to complete it for the landowner.)

Also, he has informed us that we should have left the pipe in the hole. You will remember that when we talked to the rancher he said he did not want the pipe left in. He wanted to put his own pipe in the hole and complete the well for a water well in the way he thought it should be. So knowing a water well might well be more valuable to a landowner in that area than even an oil well might be, we just gave the hole to him to do the way he wanted to do with it; and had I thought for one minute this would not have met the approval of the Commission or anyone else concerned it would not have been so handled.

So, will you please write me a letter stating exactly how you completed the well. State exactly the type of pipe and equipment that was put in the hole by the rancher. What was the size of the pipe? Did he put a windmill over it? And in your opinion is it in good condition now?

Please write to me as soon as possible with the information so we can get the papers properly executed.

Yours truly,

CC- J. E. KAPTEINA
Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Newark N Mex
Jan 23 - 1965

Dear Mr Graham:

In regard to your letter of today
The Well was plugged at the
bottom with a cement plug of
about 40 feet then gravel
and a second cement plug
Four are five feet, ^{of 186 feet} and Cased
with 186 feet of 6 $\frac{5}{8}$ Casing -
17 lb per foot

We have set a Steel tower
and a New 8 foot Airmaster
Windmill.

And in my opinion it is
in good condition.

The Rancher hauled the gravel
and was satisfied with the
Well.

Yours Truly
Oeto Knowles