

WILLIAM GRUENERWALD & ASSOCIATES, INC.

Exploration Office

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COLORADO SPRINGS, COLORADO 80901

October 18, 1977

Ms. Lynn Teschendorf  
General Counsel  
Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Gonzales-Pittman #1, #2, #3, #5  
Mora County, New Mexico

Dear Ms. Teschendorf:

In compliance with your request, I am enclosing the State of New Mexico forms applicable to the subject four tests.

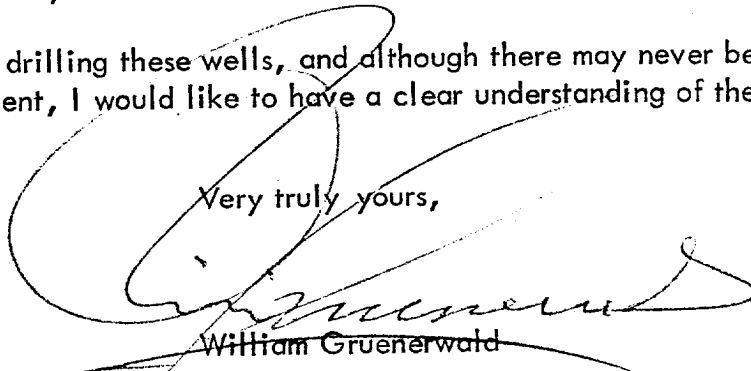
The Gonzales-Pittman #2 and #5 were completed as gas wells and, as you know, I feel that the Gonzales-Pittman #1 was gas productive even though the Dakota-Mesa Rica producing intervals were blocked-off by mud invasion as a result of deeper drilling. Structurally the Gonzales-Pittman #2 is virtually flat with the #1 (Schlumberger analysis enclosed).

The Gonzales-Pittman #3 is a dry hole and will be converted to a water well. The two active gas wells have not been tested by the State Engineer but provisions will be made for these tests in the immediate future.

On a related subject, perhaps you could advise me what steps should be taken to initiate an Oil Conservation Commission hearing relative to marketing of this gas. Last December I wrote the Public Service Commission the enclosed letter. The reply was a phone call from one of the staff engineers which shed no light on the subject. I would like to set up a preliminary meeting with you and your staff to review the issue.

I have spent considerable money drilling these wells, and although there may never be a substantial return on this investment, I would like to have a clear understanding of the marketing situation.

Very truly yours,



William Gruenerwald

WG:lj  
Enc.