

DIRECTOR JOE D. RAMEY

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO 1000 RIO BRAZOS RD. - AZTEC

> 87410 LAND COMMISSIONER PHIL R. LUCERO



STATE GEOLOGIST EMERY C. ARNOLD

July 23, 1976.

Mr. L. O. Van Ryan Aztec Oil & Gas Company P. O. Drawer 570 Farmington, New Mexico

Re: Aztec Oil & Gas Co. McGrath #3 J-3-29N-12W

Dear Mr. Van Ryan:

During a recent field inspection of the location of the subject well an odor of gas was detected. When soil was removed from around the casing the odor was much stronger.

Therefore, we believe that the casing is leaking.

Rule 108 requires the operator of a well with defective casing to proceed with diligence to repair or to plug and abandon the well.

File form C-103 setting our you plan of action prior to any field activity for this remedial work.

Yours very truly,

A. R. Kendrick

Supervisor, District #3

ARK:mc

xc: Oil Conservation Commission Santa Fe, New Mexico



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STATE GEOLOGIST
EMERY C. ARNOLD

January 26, 1977

Mr. L. O. Van Ryan Aztec Oil & Gas Company P. O. Drawer 570 Farmington, New Mexico 87401

Re: Aztec Oil & Gas Company McGrath #3 J-3-29N-12W

Dear Mr. Van Ryan:

Our letter to you dated July 23, 1976, indicating possible casing failure was prior to our acquisition of a gas detecting machine.

The location was rechecked recently and the only gas found was a trace over the gathering line only.

Further checking will be done when the soil dries sufficiently to allow the gas to migrate freely.

If there are questions, please contact us.

Yours very truly,

A. R. Kendrick

Supervisor, District #3

xc: Oil Conservation Commission, Santa Fe

ARK:no